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# China Report

RED FLAG

No. 11, 1 June 1985

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29 July 1985

## CHINA REPORT

### RED FLAG

No 11, 1 JUNE 1985

Translation of the semimonthly theoretical journal of the Central Committee of the Communist Party of China published in Beijing.

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TAKE GOOD CARE OF THE FLOWERS OF THE MOTHERLAND, RESPECT THE HARD-WORKING GARDENERS

Beijing RED FLAG in Chinese No 11, 1 Jun 85 pp 2-3

[Editorial]

[Text] Children are the flowers of the motherland. On the occasion of the "1 June" Children's Day, we heartily hope that the flowers of the motherland will be in full bloom in the bright and beautiful spring.

Everybody likes flowers. However, to enable flowers to bloom and to bear rich fruits it won't do to simply admire them. In addition to providing fertile garden plots, it is also necessary to water the flowers and to strengthen management, including pruning away unwanted growth, uprooting weeds, and killing destructive insects. The healthy growth of children refers not only to their good physical health but also to the sound growth of their intellect, moral character, and sentiment. "A huge tree grows from a tiny seedling and a high tower is built from the foundation" (Lao Zi). The education of children, including preschool education, represents a golden time in one's lifelong education and is of extremely great significance to the development of one's intellect, moral character, and sentiment. Therefore, just as Comrade Deng Xiaoping said: "The popularization of computers should begin with children." To train qualified laborers who develop in an all-round way--morally, intellectually, and physically--and to train competent personnel for the "four modernizations" program, it is also necessary to begin with children.

In our socialist country, the party and state care for the healthy growth of children in every possible way. Since the 3d Plenary Session of the 11th CPC Central Committee, the vigorous development of the cause of socialist construction, the improvement of people's economic life, the development of cultural and educational undertakings, and the addition of cultural and educational facilities, the gradual implementation of the policy toward intellectuals, education against feudal and capitalist decadent ideas conducted under the leadership of the party and government, the measures aimed at resolutely resisting and banning pornographic and horror reading matter poisoning the souls of teenagers and children, and the serious struggle against such criminal acts as drowning babies and kidnapping, selling, or injuring teenagers and children have undoubtedly provided good conditions

for the healthy growth of teenagers and children. However, frankly speaking, due to various causes, we still have many problems urgently needed to be solved in this respect. In some localities, the "difficulties of sending children to child-care centers" have become a social issue directly affecting current production and work; simple and crude teaching equipment in school education, including preschool education, has also greatly affected improving the quality of teaching; and the primary school buildings in some localities are so ramshackle that they can hardly be used. The existence of these problems makes it all the more necessary for the leading educational and other departments concerned to genuinely foster the idea of serving educational undertakings and teachers and to genuinely spend the limited educational funds on improving teaching conditions and quality. However, contrary to this demand, some of our leaders lack farsightedness and have an insufficient understanding of the strategic significance of solving these problems. The leaders of some educational departments have diverted educational funds to the construction of first-class dormitories or office buildings and some have even embezzled these funds to engage in profiteering and to seek private gains. We must resolutely check and strictly punish this dereliction of duty. Moreover, some people in some departments are still occupying the kindergartens and schools which they seized during the "Great Cultural Revolution" and they refuse to return these buildings under various pretexts. This practice of clinging to vested interests without taking into consideration the overall situation and the happiness of the coming generations is quite erroneous and unpopular.

If we liken the children to the flowers of the motherland, we should liken kindergarten, primary, and middle school teachers to gardeners cultivating the flowers of the motherland. We need a large number of outstanding teachers, who are loyal to the people's educational undertakings, to help teenagers and children foster the ideal of creating the future and cultivate creative ability and good physical and mental health. For this reason, teachers are engineers shaping the souls of teenagers and children. They deserve our respect because they water the flowers of the motherland with painstaking care. Like candles, they light the road of advance for one generation after another without attracting public opinion. In "propagating doctrines, passing on knowledge, and dispelling doubts" all of us are aware of the teachers' tremendous help and their profound influence on us. Just as Byelinskiy said: "Man's lifelong happiness is in his own hands." It is simply impossible to overestimate the role of teachers.

Following education in thoroughly negating the "Great Cultural Revolution," repeated publicity in implementing the policy toward intellectuals, and the adoption of corresponding measures, the social status of teachers has improved to some extent and so have their remuneration and living conditions. However, the implementation of the policy toward intellectuals has not been plain sailing and greater efforts still must be made to improve the social status, remuneration, and living conditions of middle and primary school and kindergarten teachers. In some localities, savage acts, such as illegally detaining, insulting, and beating up teachers, still happen from time to time, but the leaders in these localities often turn a blind eye to these incidents and dare not deal with the perpetrators. The existence of

these phenomena not only fails to protect the dignity of teachers but also infringes upon their personal safety. Under these circumstances, how can teachers keep their minds on educational work and do it well? If we fail to resolutely check this unhealthy practice, it will be extremely detrimental to the growth of teenagers and children. For this reason, we must loudly appeal to the public: All people who love the flowers of the motherland and respect teachers must wage a resolute struggle against such foolish crimes.

"A country on the road to prosperity invariably respects teachers and instructors"; "a country on the verge of decline invariably looks down upon teachers and instructors." Such was the admonition of Xun Zi, a Chinese philosopher of 2,000 years ago. The revolutionary teacher Lenin also said that in a socialist country "our school teachers should be raised to a standard they have never achieved, and cannot achieve, in a bourgeois society." ("Selected Works of Lenin," Vol 4, p 678) Teachers, particularly middle and primary school and kindergarten teachers, should become one of the professions most respected and admired in society. Up to now, we are still most sorrowfully aware of the damage brought about by the practice of "looking down upon teachers and instructors" during the 10 years of internal disorder. We must never forget this profound lesson.

We shall be in the 21st century in another 15 years' time. By that time, the teenagers and children today will become a most lively force in the cause of China's construction. China's future hinges upon them. If we care for China's future, we must start by caring for the teenagers and children today. In this sense, the status and quality of the teachers today determine the future of our motherland. Therefore, the whole party and the whole society must "respect teachers and instructors." Leaders at all levels must pay close attention to education as they do economy. It is even more necessary for the propaganda and educational departments to regard service to teachers as one of their important duties. Only in this way is it possible for us to avoid bungling matters, to bring benefit to the coming generations, and to make our motherland strong and prosperous.

CSO: 4004/28

## GRASP MATTERS CONCRETELY AND SET STRICT DEMANDS

Beijing RED FLAG in Chinese No 11, 1 Jun 85 p 4

["Forum"]

[Text] With regard to our various present tasks, we must grasp matters concretely and set strict demands. By grasping matters concretely, we mean grasping matters properly and stressing practical results rather than invariably issuing vague, general directions or slogans. By setting strict demands, we mean strictly supervising and speeding up fulfillment of assigned tasks and observing strict discipline.

Our party has formulated a clear target of endeavor and its general task and adopted a national policy of reform and opening to the outside world. Since October of last year, our party has in succession made three decisions on reform of the economic structure and the science and technology and educational systems. The most important thing at present is to implement one by one the basic guidelines, principles, and policies of the CPC Central Committee down to the right place. Grasping matters concretely and setting strict demands has become a decisive factor in our endeavors to carry out our policies, to fulfill our tasks, and to successfully conduct reform. The new period and new tasks have set new requirements on cadres at various levels in many ways, of which the basic, common one is to carry out our work in a down-to-earth and strict manner.

The common failing of the work style and work methods of our leaders is that they are fond of remaining aloof in handling matters, concentrating on flourishes while working, and paying lip service in doing things rather than making an earnest effort to implement the party principles and policies. In some departments and units, no one is assigned clearly defined responsibilities with regard to some work and people argue back and forth about their work endlessly, ignoring work efficiency. Do we not frequently use the slogan of combating bureaucracy? In fact, the specter of bureaucracy is haunting us every day. The work style of boasting, dilatoriness, buck-passing is the manifestation of a serious lack of responsibilities toward the reform and the four modernizations program. Comrade Deng Xiaoping recently said: "The leaders must do more solid work. The bad practice of getting along by relying exclusively on issuing directions or making empty promises must be put to an end." By serving the people wholeheartedly, we mean that not only must we

combat the unhealthy practices of seeking personal gains by abusing power and position but we must also acquire the spirit and work style of working hard for the prosperity of the country, being earnest and down-to-earth in doing things, daring to undertake responsibilities, and exerting one's utmost effort while working. Our party members, in particular party leading cadres, must give full play to their initiative and creativity for work and take the lead in combating bureaucracy and in bringing a turn for the better in party work style in this regard.

To carry out our work in a down-to-earth and strict manner, it is necessary to go deep into the realities of life and to fulfill our tasks down to every grassroots unit and every individual. We must encourage the use of the advanced work method of going down to the grassroots units, to the realities of life, and among the masses to seek good experiences and solutions and must consult with the broad masses on the concrete methods for conducting reforms and developing various undertakings. Only in this way can the guidelines and the target of endeavor be closely linked with the immediate interests of the masses of people and can the responsibility for the party's leading organizations and that for the people be united. Only in this way too can we keep close ties with reality and the masses and can we keep abreast of current developments in all fields of endeavor, discover problems in time, and find out correct solutions to the problems. Now China's economic and political situation is fine. However, in the course of advance there are still many problems to solve. In the light of the general requirements of the reform and opening to the outside world and in accordance with the set goal and principles and policies, we must carry out our work willingly and in a creative way. It is wrong to hesitate to move forward and waver in the face of some difficulties or problems.

Bringing one's initiative and creativity for work into play and observing discipline or implementing policies are identical. We must carry out the reform without failure. A few troubles may unavoidably crop up but no big troubles should be allowed to emerge. If errors occur, a flexible response should be made to promptly correct them. This is a normal phenomenon. However, on no account must we make a big readjustment only after problems are piled mountain high, because this will lead to drastic twists and turns. Therefore, on the premise of strictly implementing the central principles and policies, we must work willingly and vigorously and on no account must we take our own ways, departing from the central principles and policies. More often than not, some of our cadres take a pragmatic attitude toward the policies and regulations of the CPC Central Committee and the State Council and implement only what suits their tastes and pay no heed to or stubbornly refuse to implement what is not to their tastes. These cases should be seriously investigated and those whose cases are serious should be dealt with sternly. Without this move, it is impossible to make a success of the reform and the four modernizations program.

PROPERLY GRASP EDUCATION IN THE SAME WAY AS WE GRASP THE ECONOMY

Beijing RED FLAG in Chinese No 11, 1 Jun 85 p 5

["Forum"]

[Text] Recently, Comrade Deng Xiaoping pointed out: "We have accomplished the shift of the focus of the work of the whole party and the whole nation, haven't we? The focus of our work at present should also include education." This concise remark of Comrade Xiaoping clearly and profoundly brings to light the intrinsic relations between our educational work and economic work, and timely clarifies the confused idea which deals with educational work and economic work separately. So comrades of the whole party should seriously study this instruction and give deep thought to this issue.

In recent years, more and more comrades have come to realize the importance of education. This is a gratifying phenomenon. However, some comrades, including some senior cadres, have not realized the strategic significance of education and attached corresponding importance to it. Some of them hold that educational work should be handled by the educational departments alone, and they themselves should not necessarily take up these matters personally. Others think that education is a "soft" task, which can be taken up one day and be put aside the next day. Still others think that education is merely consumptive and will not produce anything, so they lack enthusiasm for the development of education. All this reflects an important problem. That is, some localities and departments have not properly and completely shifted the focus of their work to the right field. Now the situation requires us to accomplish this shift in an all-round way. We must mobilize the whole party to take up education in earnest.

Economic development cannot be separated from education, and this is pinpointed by the fact that economic construction needs large numbers of educated people. People constitute the most active element in the productive forces. Only people who have a good command of modern technology and management knowledge can form advanced productive forces. It is certain that funds, equipment, and materials are important factors in the development of production, but more important is educated and capable people. With these people, all necessary material conditions can be created. Especially in modern times, when new technologies are developing rapidly,



intellectual work is getting more and more important, and the importance of capable people who have received good education has become more obvious than ever before. It is known to everybody that production, management, and technological development all need capable people. But where do capable people come from? Will they emerge naturally? Certainly not. They must be trained mainly through educational institutions. Without educational undertakings, we will lose our sources of capable people, and economic development will also become merely empty talk. We will never achieve our goal of developing our economy if we neglect the training of capable people and neglect the development of education. If we just meet the needs for capable people by transferring them from one place to another, like pulling down the east wall to build the west wall, without trying to tap more intellectual resources, this will also demonstrate our lack of strategic foresight. Only by including education in the focus of our work and making great efforts to develop education can we realize our grand objectives in the modernization drive.

To rely mainly on our own strength in economic development, we must tap the intellectual resources of our nation. Our country is firmly carrying out the open-door policy and is determined to absorb all good things from the advanced countries, especially their scientific and technological achievements. However, if our education is not well developed and if we do not have sufficient scientists and technologists, we will not be able to utilize and develop the imported technologies no matter how advanced they are. Then, we will continue to be backward and be held back by other countries. We must fully realize this point and pay sufficient attention to the development of education. By achieving an advantage in intellectual resources, we will be able to learn from the advanced things that other countries have and to develop some advanced things that other countries do not have. Only thus can we really reinvigorate the Chinese nation and rank our nation among the world's advanced nations by taking on a new look.

Through developing education, we will build a mighty contingent of talented people and will train generation after generation of socialist new people. This is not only a requirement in the building of material civilization, but is also a requirement in the building of socialist spiritual civilization and a reliable guarantee for ensuring the advance of our economic construction along the socialist course. If you really desire to develop the economy rapidly and continuously and to maintain a lasting momentum in economic development, then you should properly grasp education in the same way as you deal with the economy.

CSO: 4004/28

## DO A GOOD JOB IN TRAINING MORE TALENTED PEOPLE

Beijing RED FLAG in Chinese No 11, 1 Jun 85 pp 6-8

[Article by Ke Wen [2688 5113]]

[Text] The decision of the CPC Central Committee on reform of the educational structure is a programmatic document. It points out the direction of the reform and of the development of education in our country, and is a landmark in our country's education entering a new stage of historical development.

The fundamental purpose of reform of the educational structure is to do a good job in training more talented people. Over the past few years, the CPC Central Committee has repeatedly pointed out that in carrying out the socialist modernization program, it is necessary to respect knowledge and respect talented people. Talented people, that is, various classes and categories of high-quality, talented people who conform to the needs of the various fronts, provide the key to the success or failure of the socialist modernization program.

Since the founding of the PRC, the work of education in our country has traversed a tortuous road. On the one hand, great development has been achieved and notable successes have been scored. At present, the great majority of the extensive masses of educated workers fighting at different posts and the backbone forces on various sides have been trained by our own institutions of learning. However, on the other hand, over a rather considerable period beginning from the last part of the 1950's, due to the major work of the whole party not having yet been shifted to economic construction, and also due to the influence of the thinking of taking "class struggle as the leading factor," the work of education has for a long time been denied an important position but has continuously been bombarded by "leftist" political campaigns. In particular, in the "Great Cultural Revolution," the adverse development became extreme when knowledge was refuted, education was cancelled, educational work was seriously disrupted, the vast number of educational workers were seriously persecuted, and the nurturing and training of a full generation of talented people was delayed and neglected. Up to now, this type of "leftist" thinking cannot be said to have been fully overcome and the ideas of contempt for education, contempt for knowledge, and contempt for talented people still exist. To rectify the



backward condition of education, it is first necessary to continue to remove the influence of "leftist" thinking, raise the understanding of the whole party and people of the whole country, and truly respect knowledge and respect talented people.

Since the 3d Plenary Session of the 11th CPC Central Committee, the major work of the whole party has been shifted to economic construction. This major work should include education. Since in the course of socialist modernization, we have enforced a planned commodity economy and a policy of opening to the outside and enlivening the domestic economy, carried out reform of the economic structure, and emphasized that the various industries and trades should all develop intellectual skills so that within a certain period of time our country will approach the level of the developed countries, all this has urgently brought about the problem of the need and quest for talented people. When talking about our national construction, Comrade Zhao Ziyang mentioned that the problem we are currently facing is a problem of talented people rather than one of a shortage of funds. Construction needs and the lack of talented people have formed a sharp contradiction. Speaking in a macroscopic sense, in contemplating our country's economic and social development in the 1990's and early next century, our various industries and trades will require hundreds of millions of workers who are cultured and are well versed in technology and business, and also tens of millions of economic and technical personnel who possess modern scientific technique and knowledge in business operation and management as well as educational, scientific, cultural and other specialized workers who can conform with the demands of modern scientific and cultural development and of the new technical revolution. Talented people include not only specialists from various sides but should also include the tens of millions and hundreds of millions of people mentioned above. The basic outlet for the solution of the problem of talented people lies in education. Lack of education means lack of talented people, and in showing high regard for talented people we must show high regard for education. The extremely important nature of talented people determines that education occupies a strategic position in the "four modernizations."

However, turning to the present condition of the educational work many defects may still be found: The relevant government organs' stranglehold on the schools has deprived them of their vitality and as for those affairs which the government should control, they have not been controlled well. Basic education is weak while vocational education and technical education have not attained their necessary development and there is a proportionate imbalance within the courses, departments, and grades in higher education; educational thinking, educational contents, and educational methods are in varying degrees detached from the needs of economic and social development, falling behind the development of current science and culture. Existence of these defects has seriously impeded the development of the educational enterprise. We must, starting from the educational structure, carry out a systematic reform so that the educational structure can conform to the economic and social development.

In order to train up a large number of new talented people for construction, our educational work should not only be gradually developed but should also be rationally deployed and arranged. At present, the number and quality of our primary schools, middle schools, middle technical training schools, middle specialized schools, and colleges cannot meet current needs and also the proportion among them is irrational. Primary middle-school education is still not universal and even primary school education is still not completely universal and is not solid or stable enough. Illiteracy is still prevalent among quite a number of the young people. The development of intermediate education is very unbalanced while in the whole educational system vocational and technical education is the weakest link. In the higher institutions of learning, the arrangements for specialized training are rather irrational. For this reason, it is necessary for us to make an overall plan, arrange a rational setup, and vigorously develop schooling facilities which are multitier in form and have different specifications and different educational systems. Special emphasis should be laid on developing basic education and various forms of vocational and technical schooling. Enforcement of the 9-year system of compulsory education is an important step which has a bearing on improving the national character and on the country's prosperity and development, and should be carried out systematically in accordance with the different conditions of the different localities. The economically developed regions should proceed with this first and strive to accomplish their tasks early. Regions in the middle level of economic development should first carry out universal primary school education and at the same time actively prepare for the enforcement of universal middle school education. Regions that are relatively undeveloped economically should actively do likewise. In order to establish a technical labor force armed with advanced scientific knowledge and technology, we shall have to take education related to middle-level vocational and technical training as the major task, vigorously develop vocational and technical education, and gradually build up a vocational education system which extends from the primary grade to the senior grade, provides training for the industries and trades, is rationally structured and can be linked up with ordinary education. Separation of the students will begin at the middle school level; under the principle of enforcing junior middle school education, ordinary senior middle school education will diverge from senior middle school vocational education and ordinary college education will diverge from higher vocational and technical education. Even at the junior middle school level, vocational and technical training courses should likewise be given. Upon graduation, the students may either continue their studies at a higher level or go into employment. By so doing, we can, on the basis of strengthening basic education and popularizing the 9-year system of compulsory education, run schools along many channels and on many levels, enable vocational and technical education and ordinary education to be fostered at the same time, and form a relatively integrated, all-round, and rational education system. This will help in doing a good job in training more talented people.

In training talented people, full attention should be paid to quality. Increase in quantity and improvement in quality are unanimous. Without a definite quantity, improvement in quality is naturally out of the question whereas without an improvement in quality, people who have gone through

training will not be up to standard. Training up talented personnel is a quality requirement in the training of personnel. The talented people required in the new era are talented people who have ideals, have good morals, are cultured, abide by discipline, fondly love the socialist fatherland and the socialist enterprise, ceaselessly go after new knowledge, are practical and realistic, capable of independent thinking, and possess a creative and scientific spirit. Following the progress of reform of the educational structure, reform of the contents and methods of education will naturally become an increasingly important item on the agenda at meetings. At present, the teaching syllabus is antiquated; teaching methods are stiff and rigid; and actual practices are neglected. The phenomenon of an irrational fixing of the courses extensively exists in all the schools at various levels. Students are not sufficiently trained in their younger days to live independently and do their own thinking nor is the training sufficient to generate among them the spirit of dedicating themselves to making the fatherland wealthy and strong. All this is extremely disadvantageous to improving the quality of the personnel. It is necessary to strengthen education in basic knowledge. In the past, in the middle schools arts and sciences were separated too early, neglecting the education in basic knowledge, and the area of learning of the students was too narrow. Some of the students lacked the necessary knowledge of history and geography. This has greatly restricted their development and improvement. It is necessary to train up a student's lively way of thinking and a capacity to engage in actual practice. The old method of making the students learn by heart brought about the phenomenon of the students getting high marks but being low in ability. Some of the students, though having gone through higher education, are frequently found to be rigid and ossified, lacking any ideas for development and the capacity of creation and being hardly able to shoulder the task bestowed on them by history. Facts have clearly shown that educational ideas and methods of the closed-door type cannot train up the student's creativeness and spirit of advancement, nor make the student burst with talent or brave enough to advance and to create something new. Therefore, in the reform of the educational structure, we must boldly break through traditional and antiquated educational ideas and gradually reform the contents and methods of education to achieve the fundamental objective of training up more higher-grade, talented people.

Teachers are responsible for training up talented people. Improving the teachers' level, particularly the level of primary school and middle school teachers, is a matter of fundamental importance in improving basic education and even the whole educational level. It is necessary to train up a sufficiently large contingent of qualified and stable teachers who are suited to educational development. As for the existing teachers, they should be further subjected to various effective forms of training so that in the not too distant future they will be capable of doing their teaching work both in name and in fact. At the same time, it is necessary to develop and strengthen teachers' training courses at various levels ranging from kindergarten teachers to teachers for higher education and thus to bring up a new generation of teachers for schools at various levels. The educators should be the first to be educated, and the training of teachers should occupy first place in the training of talented people. Regarding this, we should take a

long-range view and should never neglect it. For the sake of the future of our nation, elevating the teacher's position, particularly the position of middle school and primary school teachers, carries a specially important significance in generating a social atmosphere of respect for teachers among the people of our country. Historically, people of our country have already cultivated the glorious tradition of respect for teachers. Our party has also regarded the position and role of teachers as important. However, due to the "Great Cultural Revolution" having a contempt for teachers and for the intellectual elements, and because the passive effects of the intellectual elements, including the teachers, having been mistreated and persecuted during the revolution have not yet been removed, certain people still have the concept of looking down on teachers. But education is a holy and noble enterprise. Teaching is glorious work and teachers are the builders of socialist material civilization and spiritual civilization. They act as guides for each and every one of us. Hence, they deserve the respect of all society and people of the whole country. Any concept of contempt for teachers is erroneous and all criminal acts of persecuting, attacking, and mistreating teachers must be punished by law. It is necessary to strengthen the work of teachers, and earnestly solve their actual problems in the course of work, in learning, and in various phases of life. Only through having done a good job in building up the contingent of teachers, and in elevating their social position, is there a bright future for our educational enterprise and is there a reliable guarantee for the new generation to grow up in a healthy manner.

Reform of the educational structure is a difficult, complex, and painstaking task. At present, the outline and blueprint for it are already prepared. The problem is how to grasp them in a down-to-earth manner and organize and start the work well. In order to tightly grasp this work, we should firmly insist on being realistic and practical and carry out the party's ideological line well, starting everything from reality. We should be extremely cautious and advance in firm steps. The guideline advocated by the party Central Committee in the economic reform of "being firm and resolute, cautiously initiating the campaign and determinedly striving for victory," likewise applies to the educational reform. We must be firm and irrevocable in regard to the target and direction of the reform. As for the methods and steps of the reform, we must handle them with great caution, we cannot be overanxious or rush headlong into mass action, nor can we be careless or offhand or force matters by compulsion. We should pay attention to experiments. Successful experiences from experiments should in turn be earnestly summarized and, in accordance with the concrete realities in various regions and schools, we should systematically publicize them. In the course of promotion of publicizing them, we should continuously sum up new experiences. At the same time, we should carry out scientific research on education, strictly abiding by the rules and special features of education in doing our work so that our reform may be carried out under scientific guidance, without violating the objective laws of education itself. The fundamental objective of our reform of the educational structure is to turn out more talented people and to turn out really good and talented people. At no time should this objective be forgotten. Economic benefits should not be taken as the objective of the reform of education. In the course of the

reform certain schools may increase their economic results but our main attention should not be directed at getting economic results. In the training of personnel, whether their number is large or small, and whether their quality is good or poor, are the fundamental yardsticks for measuring whether the work of our schools at various levels is good or bad and also for measuring whether our reform of the educational structure is a success or a failure. Certain regions have resorted to the practice of running schools, paying no regard to the quality of the teaching but recklessly collecting school fees and cheating the students. This should never be allowed. In short, all our work should start from the basic point of being beneficial to the training up of talented people. All measures and methods which are beneficial to the training up of talented people are correct and should be supported and advocated. All methods and measures disadvantageous to the training up of talented people are erroneous and should be prevented and rectified. By so doing, our educational work will surely be able to assume a new appearance in the course of the reform.

CSO: 4004/28

VALUABLE SPIRITUAL WEALTH OF THE PARTY AND PEOPLE--STUDYING COMRADE DONG BIWU'S POLITICAL AND LEGAL THINKING

Beijing RED FLAG in Chinese No 11, 1 Jun 85 pp 9-12

[Article by Liu Tingxiao [0491 1694 2556] and Ma Hongru [7456 7703 0320]]

[Text] Comrade Dong Biwu was a proletarian revolutionary of the older generation as well as a Marxist jurist respected by the people of the whole country. His expositions on the building of the people's political power and the people's democratic legal system in China are the valuable spiritual wealth of the party and people.

I

Comrade Dong Biwu attached great importance to the building of the people's political power. In the course of his participation in the work of building the people's political power for over a long time, he realistically summed up the rich experience of our party in building the regime, gave answers to a series of questions concerning the building of political power in China, and enriched the contents of the theory of the people's democratic dictatorship.

The starting point of Comrade Dong Biwu's basic thinking on the building of political power is that the people should become masters and administer state affairs. The communists led the people of the whole nation in achieving the victory of revolution and in establishing a new regime. This regime belongs to the people. The people are the masters of the country. Therefore, the organs of state power should work for the well-being of the people; implement the policies, laws, and decrees that represent the will of the people; and never oppress the masses or infringe upon their interests. The working personnel of the political power should wholeheartedly serve the people and never try to make use of their powers to seek personal gain. Revered Dong especially emphasized that the organs of state power should maintain flesh-and-blood ties with the people. The organs of state power should attentively listen to the voice of the masses, adopt their opinions, know their weal and woe, and protect their interests. They should also enable the masses to have the courage to criticize the government, exercise supervision over the government organs, and remove the government officials whom they are not pleased with. Only in this way can the masses feel that the political power is an instrument in their hands and that the governments



are truly their own governments. They said: "The authority of a government should be established on the trust of the masses rather than on their fearfulness." ("Selected Works of Dong Biwu," p 56)

The power of the people to be masters and administer state affairs should be specified in an appropriate democratic form so that it is legalized and institutionalized. This democratic form is the system of the people's congress. This system was summarized and created by our party in the practice of leading the building of the political power for many years in the past. In December 1947, the CPC Central Committee and Comrade Mao Zedong pointed out at a central work conference that the organs of state power of new China are the people's congresses at all levels and the people's governments elected by the people's congresses. Not long after the conference, revered Dong was entrusted by the CPC Central Committee to make preparations for setting up the North China Provisional People's Congress and to explore the specific plans and experience for the system of the people's congress while unifying the liberated areas in north China. Following the opening of the North China Provisional People's Congress in August 1948, a committee for the North China People's Government was elected and the North China People's Government was formally established. In his opening address, revered Dong explicitly pointed out: Although we have established only one provisional people's congress in north China, it "will be the prelude and embryo of the National People's Congress." After the founding of the North China People's Government, all localities swiftly carried out the work of establishing and perfecting the people's governments. In his speech at the meeting to study the people's political power on 18 October 1948, revered Dong fully affirmed the system of the people's congress and further expounded its nature and superiority. He said: The nature of our organs of state power is "new democracy. The organizational form of the political power is the people's congress and the organ of state power of the whole nation is the National People's Congress." (p 218) This speech was one of the party's documents which first expounded the system of the people's congress in a systematic manner.

After the founding of new China, revered Dong pointed out on many occasions that there are many systems under the people's democratic dictatorship in our country. However, these systems merely indicate one aspect of our political life. Only the system of the people's congress can represent our overall political life and indicate the source of our political power. The system of the people's congress is directly created by the people's revolution. It is not the outcome of any previous law. From the day it proclaims its founding, the people's congress can relevantly formulate various institutions and laws and all other institutions can be effective only with the approval of the people's congress or the organs authorized by the people's congress. Therefore, the system of the people's congress is the basic system of our country. The primary task of the building of the political power is to establish and perfect the system of the people's congress. He repeatedly criticized the practices that ignored the people's congress and sternly pointed out that it is illegal to hold a cadre meeting or work conference instead of the people's congress or to fail to hold the people's congress under the excuses of "too much trouble" and "very busy at work." Any attempt to weaken the people's congress is wrong and impermissible.

It is an important question in the building of the political power to correctly handle the relations between the party and the organs of state power and to give full play to the role of the organs of state power. Revered Dong held that strengthening party leadership over the organs of state power is an unswerving principle that must be resolutely implemented. Furthermore, he pointed out: "Party leadership over the organs of state power at all levels should be understood as strengthening them through themselves so that they can exert political power." (p 307) "Through themselves" means that the party's line, principles, and policies should be implemented through the organs of state power and that the party committees at all levels should not run things all by themselves without consulting others or directly meddle in state administrative affairs. "Strengthening them" means that the party should select the best cadres (including party or nonparty cadres) to assume work in the state organs so as to strengthen the organs of state power. By strengthening the work of the organs of state power, we mean that on the one hand, the party should support the organs of state power, and on the other hand, with support from the party, the organs of state power will better implement the party's policies. He pointed out that the party's correct relationship to the organs of state power should be: 1) Give definite instructions on the nature and direction of the work of the organs of state power; 2) implement the party's policies through the organs of state power and their work departments and exercise supervision over their activities; 3) select and promote loyal and capable (party and nonparty) cadres to work in the organs of state power.

Regarding the practice of party monopoly over government administrative affairs existing within the party, during the period of the anti-Japanese war, revered Dong pointed out: "It would be extremely unfavorable for the party to monopolize the work of the government. The decrees would be ineffective if the government is merely nominal. The government must have genuine powers." (p 55) After the founding of new China, he made proposals on many occasions to the CPC Central Committee and local party committees and sharply pointed out that the existence of such a practice would hamper the role of the organs of state power, obstruct the people from exercising their democratic rights, dampen the initiative of the people, and inevitably weaken the party's political leadership over the organs of state power.

## II

Comrade Dong Biwu's basic thinking on the building of the legal system was to strengthen the people's democratic legal system. He pointed out that after mankind has entered a civilized society, a legal system is one of the indications of this society. A state cannot become a state without a legal system. He stressed the necessity of understanding the formation and development of the legal system and its immense role in smashing the old foundation and consolidating a new one. If we "do not know how to wield the weapon of law, the role of state power will be weakened." (p 350) Only by establishing and perfecting the legal system in a country led by the working class can we effectively perform the functions of the state and ensure the democratic rights of the people.



During the years just following the founding of new China, revered Dong clearly pointed out that while doing away with the old legal system, a legal system of manifesting the people's will should be simultaneously and quickly created. When China started its socialist economic construction on a large scale in 1953, some cadres did not understand that the legal system could ensure the socialist economic construction and mistakenly held that the state could carry out economic construction without strengthening political and legal work. He immediately emphasized that judicial work should serve economic construction and the party should strengthen the building of the legal system. When China was about to enter the period of all-round socialist construction, the party put forward the historical mission of building China into a great socialist country as quickly as possible. In order to accomplish this historical mission, he emphasized again the necessity of adopting vigorous measures to further perfect the people's democratic legal system. Aimed at the imperfect legal system and the practices that violated laws, he put forward the principle of acting according to law. He consistently maintained that with the development of state construction, it is necessary to supplement and perfect the people's democratic legal system without delay, vigorously wield the coercive weapon of law, ensure the people's democratic rights, protect the socialist cause, and unremittingly fight against all practices that violate the law and discipline.

In his speech made at the Eighth CPC Congress, revered Dong summed up the basic experience of the building of the legal system in China and put forward the correct principle of "proceeding from practice and gradually developing and perfecting the legal system from simple to complicated in light of the objective demands of the political and economic development." He pointed out that in a newly built country, the imperfect state of the legal system will inevitably exist for a period of time. We must undergo a process from imperfect to perfect. It would be unrealistic to demand perfect at the very beginning. However, with the victory of the people's struggles and according to the objective demands of the political and economic development, it is necessary to gradually supplement and perfect the people's democratic legal system. It would become a serious problem if the situation of the imperfect legal system continued to exist for a long time. He also held that in building the people's democratic legal system, it is necessary to draw all historical and international experience that is favorable to the people. The attitude of blindly opposing and rejecting everything is wrong. Furthermore, both historical and international experience should suit China's actual reality and "fit our body." We must suit measures to local conditions and never try to mechanically copy other patterns. Meanwhile, we must follow the mass line in building the legal system and implement the principle "from the masses, to the masses." He called for laying stress on investigations and studies, democratic consultations, extensive mass discussions, and democratic legislation. He exhorted us: "Take care to avoid few people thinking and making a cart behind closed doors. Even if it is made, it would be divorced from the masses and reality." (p 480)

Revered Dong held that acting according to law is the key link to the further strengthening of the building of the legal system. Acting according to law has two meanings: One is we must have laws to follow and the other is we must have laws that must be followed. In order to have laws to

follow, it is necessary to organize the forces from all fields, formulate the important and yet incomplete state laws and regulations within a definite time, and revise without delay the laws and regulations that need to be revised so that the people can follow these laws and regulations in every respect. In order to have laws that must be followed, we must enable government functionaries and the broad masses to understand that our people's democratic legal system is the manifestation of the people's will. Violation of the state legal system means running counter to the people's will. Therefore, the laws and regulations stipulated in explicit terms must be followed and resolutely implemented. All judicial organs in particular should strictly abide by the laws and regulations.

It is an important component part of revered Dong's thinking on the legal system to strengthen education on the legal system and enhance the conscientiousness of the broad masses, particularly party members and cadres, in abiding by the legal system. Under the leadership of the party, the political awareness of the masses heightened remarkably after liberation. This was favorable to the masses' understanding of the law. However, law has its own category. The party's efforts made to heighten the political awareness of the masses are not tantamount to improving their legal understanding. Thus, it is wrong to say that political education can replace education on the legal system. Revered Dong penetratingly analyzed the psychological and social historical root of looking down upon the legal system and put forward the task of strengthening education on the legal system and enhancing the people's legal understanding. He said: "The political power of the people's democratic dictatorship should enable the people to understand and observe law. We must accomplish this task no matter how difficult it is." (p 339)

Revered Dong consistently maintained that to educate the masses in abiding by the law, party members and cadres should set an example. He emphasized on many occasions that "our party members should become models in abiding by the law" and held that after our party becomes a ruling party, this should be the rudimentary moral requirement for a person who has dedicated himself to the lofty cause of communism. Therefore, "our party should pay attention to ideological education on the legal system so that our party members can realize that both state laws and party discipline must be observed and not violated. Observing state laws is inseparable from observing party discipline. Violation of state laws means violation of party discipline." (p 420) He sternly criticized the people who regarded themselves as exceptional and who held that law was aimed at administering the common people and that they themselves could overstep the law. He said: "From now on whoever violates law deliberately will have to bear legal responsibility, regardless of his position and past merits." (p 419)

Revered Dong's thinking on the legal system was extremely rich. He put forward many far-sighted views concerning the establishment of various judicial systems and their mutual relationships and the development of the political and legal education system, various laws and regulations, and legal science in China. For example, he pointed out in the 1950's that China's legal work is relatively backward and both the quantity and quality

of legal cadres cannot meet the objective demands. If we do not take the needs of our future work into account but make preparations only when the situation becomes critical, we will fall short of the demands. As there is a lack of legal workers now when we are carrying out large-scale socialist construction, we can further realize the valuableness of revered Dong's proposal. Nevertheless, it should be pointed out that we have not seriously and systematically studied the valuable spiritual wealth left to us by Comrade Dong Biwu. Many of his important and correct views are not yet valued and some of them are not yet recognized by us. The call to seriously study revered Dong's political and legal thinking today will be of great significance to the solution of many new problems concerning the building of the people's political power and the legal system which have emerged in the new situation.

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## ON THE 'BOURGEOIS RIGHTS'

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[Article by Shi Zhongquan [4258 0112 3123]]

[Text] Editor's note: The "Explanations (Revised) on the Revolution on Certain Questions in the History of the Party Since the Founding of the PRC" compiled by the Documents Research Office of the CPC Central Committee will be published by the People's Publishing House and distributed throughout the country. This article was selected from the theoretical entries in the explanation. We have made some corrections to the contents and sentences of this article.

The idea that the principle of exchange of equal labor in distribution according to the work done being the "right of the bourgeoisie" was first put forward by Marx in the "Critique of the Gotha Program."

In spring 1875, the two factions in the German workers' movement--the Eisenach faction and the Lassalle faction--planned to merge into one political party. Because the draft program of that party, which was drawn up by leaders of the Eisenach faction, contained many of the Lassalle faction's opportunist views, Marx immediately wrote "Several Suggestions on the Program of the German Workers Party" (generally rendered as the "Critique of the Gotha Program"), seriously criticizing the mistakes in the draft program. While criticizing Lassalle's confused remarks on "one hundred percent income from labor," "fair distribution," and "equal rights," Marx dealt with the distribution principle for the means of subsistence in future society. He pointed out that in the first stage of communism, there can be no fair distribution of consumer goods and that at no time can "all social members" have "equal rights" in the distribution of consumer goods, as the needs of different persons (such as old men and children) cannot be "equal." Insofar as the distribution of the means of subsistence among laborers is concerned, what will be prevalent in the first stage of communism is the principle of exchange of equal labor, that is, "after all deductions, each producer will get from society just what he has produced for it" and "one form of fixed labor can be exchanged with another form of equal labor." Marx rendered this principle of exchange of equal labor as

the bourgeois-type "equal right." He said: "This equal right is still restricted within the frame of the bourgeoisie. The right of producers is in proportion to the labor they consume." At that time, Marx had not termed the first stage of communism socialism (Lenin began to differentiate between communism and socialism in his work "The State and Revolution") and had not used the phrase of distribution according to the work done. However, he put forward for the first time the socialist concept of distribution according to the work done.

Why did Marx render the principle of exchange of equal labor in distribution according to the work done as the "bourgeois right"? Did he think that this principle bore the nature of bourgeois exploitation or that it would lead to bourgeois exploitation? No. As there will be no commodity production, no currency exchange, and no class difference in the first stage of communism which was predicted by Marx, the "bourgeois right" he mentioned cannot be the right of capitalists or other exploiting classes. The reason why Marx rendered this principle as the "bourgeois right" is that it is the same as the principle that equal labor determines equal value in the exchange of the equal values of capitalist commodities, both indicating the equal right of the two sides concerned. In the exchange of commodities of a capitalist nature, all commodity owners use the same measurement of value, therefore they are equal before the measurement of value; in distribution according to the work done, the exchanging sides are also equal before the measurement of labor. In this sense, Marx maintained that the nature of the principle of exchange of equal labor in the first stage of communism will change, although its form will remain unchanged.

Of course, the exchange of equal labor is not peculiar to capitalist society. This is the general principle of commodity exchange and emerged along with commodities. In capitalist society, the bourgeoisie has developed this principle to its pinnacle, made it the general principle, and regarded the labor force as a kind of commodity, thus covering up bourgeois exploitation of the surplus value of laborers. When laborers sell their labor force as a commodity, in form, their relationship with capitalists is one of equal exchange. Although this principle of equality exists only in the circulation sphere (it manifests itself in the production sphere as cruel exploitation of surplus labor), the bourgeoisie has used this principle to replace the class privilege under the feudal system, making equal rights the symbol of bourgeois rights. Engels said: "The fairness and equality of rights were the foundation stones the capitalists in the 18th and 19th centuries tried to use to construct their social buildings on the ruins of the unfairness, inequality, and privilege of the feudal system." ("Collected Works of Marx and Engels," Vol 21, p 210). This is the reason why the bourgeoisie has used freedom, equality, and benevolence as its political slogans. In socialist society, the labor force is no longer a commodity; on the other hand, it is still the object of exchange and cannot be divorced from remuneration. In other words, the remuneration laborers get from society is basically in proportion to their labor, and the exchange of equal labor of a capitalist nature cannot but be retained. For this reason, while comparing the socialist distribution according to the work done with the exchange of commodities of a capitalist nature, Marx rendered the equal right embodied

in the principle of exchange of equal labor in distribution according to the work done as the "bourgeois right." This profoundly reveals the historical cause and historical limitations of the so-called "equal right" and indicates that this equal right is not the aspiration to be cherished in the advanced stage of communism and cannot be taken as the program for the advanced stage of communism.

Marx pointed out that the "bourgeois right" embodied in exchange of equal labor in distribution according to the work done contained inequality between laborers. The "equal right" to distribute the means of subsistence by taking labor as the common measurement is in fact unequal for different laborers. It gives tacit consent to the different abilities of laborers and to their different family burdens. As laborers have different physical conditions, different intellectual levels, and different numbers of family members to support, their income and standard of living are different, although the results of their labor and the portion they get of the means of subsistence in society may be the same. Therefore, Marx said that "like all other rights, this equal right is an unequal right." This unequal right is inevitable and cannot be eradicated in the first stage of communism. Only when the principle of to each according to his needs is exercised in the advanced stage of communism, can society "completely break away from the narrow view of bourgeois rights."

It should be pointed out that in the "Critique of the Gotha Program," Marx rendered the principle of exchange of equal labor in distribution according to the work done as the "bourgeois right" in an abstract sense, leaving aside the difference in nature between the socialist distribution according to the work done and the exchange of commodities of a capitalist nature, as well as the different production relations they are affiliated to. In using an abstract concept to analyze a concrete problem, one must deal with the actual social relations which have been left aside. In other words, in using the abstract concept of the "bourgeois right" to analyze the principle of distribution according to the work done, one must base himself on socialist production relations. Only thus can he make an essential distinction between the socialist distribution according to the work done and the exchange of commodities of a capitalist nature. In using the concept of the "bourgeois right," Marx neither denied the socialist nature of distribution according to the work done, nor confused the socialist distribution according to the work done with the exchange of commodities of a capitalist nature.

While developing Marx and Engels' theory on scientific socialism in "The State and Revolution," Lenin began to change his understanding of the concept of the "bourgeois right." On the one hand, he explicitly differentiated between the "bourgeois right" in distribution according to the work done and the original meaning of the bourgeois right in general. He said: "The 'bourgeois right' admits that the means of production is private property." This means that the bourgeois right under the capitalist system is based on the private possession of the means of production, covering up the fact of cruelly exploiting the hired workers under the pretext of equal buying and selling of the labor force. This is the original meaning of the



bourgeois right. Dissimilar to this, the "bourgeois right" in distribution according to the work done is based on laborers' common possession of the means of production. Apart from their own labor, no one else can provide anything for them. The right of a laborer is in proportion merely to his labor: The more he works, the more he gets; the less he works, the less he gets; and if he does not work, he will get nothing. This "bourgeois right" negates the capitalist exploitation system and is fundamentally different from the bourgeois right that reflects the relations of capitalist production.

On the other hand, unlike Marx, Lenin used the concept of the "bourgeois right" mainly in the sense of equality embodied by the principle of exchange of equal labor, while making many expositions on the inequality embodied by the "bourgeois right." In Marx' opinion, the "bourgeois right" was characterized by equality in form and inequality in reality. Marx used this concept to particularly explain the equality in form of the "bourgeois right," as it manifested itself first in this aspect. So only by explaining this aspect, can one give a definition to the principle of exchange of equal labor. Otherwise it would have been meaningless to put forward the concept of the "bourgeois right." Marx used this concept to analyze the equal right in form in the distribution sphere in the first stage of communism, criticizing Lassalle's empty talk of "equal right" and all opportunist views on the one hand, and affirming the inevitable existence of the right, which is equal in form and unequal in reality, in the first stage of communism on the other. In "The State and Revolution," Lenin used this concept to particularly explain the unequal nature of the right. He maintained: Socialist society can eliminate only the unfair phenomenon of private possession of the means of production but not the unfair phenomenon of distributing consumer goods according to the work done. This indicates that the "bourgeois right" has not been completely eliminated. Viewed from the angle of the change from private possession of the means of production to public possession of the means of production, the bourgeois right (in form and in reality) no longer exists. In terms of exercising the principle of exchange of equal labor over the means of subsistence, the "inequality of the 'bourgeois right'" reflected in different persons still exists, that is, the bourgeois right without the bourgeoisie still exists. For capitalist society, this right does not contain inequality; whereas for socialist society, it "is preconditioned by inequality." Here Lenin used the concept of the "bourgeois right" in a different way from that of Marx. He did not explain much about the equality of the "bourgeois right" but gave prominence to the "inequality of the 'bourgeois right.'"

The change in Lenin's application of the concept was due to the change in his understanding of socialism, as he lived in a different era from that in which Marx lived. Moreover, the object of his criticism was philistine economists, who blamed socialists for "cherishing illusions" about eliminating inequality between men. To criticize their fallacy, Lenin pointed out that in socialist society, "it is impossible to eliminate the shortcomings in distribution and the inequality of the 'bourgeois right.'"

Lenin related the "bourgeois right" with the state and put forward the thesis that a socialist state "is a bourgeois state without the bourgeoisie." He said: Because socialist society is not "completely mature" economically and has not thoroughly freed itself from capitalist traditions and vestiges, it is impossible for the people to work for society without having any right. In the distribution of consumer goods, as there is no other rule apart from the "bourgeois right," there must be state organs to protect the public ownership of the means of production on the one hand and, on the other, "to protect equality in labor, equality in the distribution of products, and inequality which is allowed to exist in the 'bourgeois right.'" This means that it is necessary to adopt administrative measures to force the people to observe the "bourgeois right" so as to maintain normal social order. This idea of Lenin's developed Marx socialist theory, pointing out the historical necessity for the "state" to exist in the socialist period. On the other hand, it also added a political flavor to the originally economic concept of the "bourgeois right." On the basis of Marx' idea of the "bourgeois right" without the bourgeoisie, Lenin put forward the concept of the "bourgeois state without the bourgeoisie." He said: "Like the (semi-bourgeois) right, the (semi-bourgeois) state cannot thoroughly die away yet." ("Marxism on the State," p 33) The "(semi-bourgeois) right" mentioned here was, undoubtedly, used to render the "bourgeois right" in a general term. Thus, this theoretical problem, which had originally been complicated, was made even more difficult to understand. This change greatly influenced Mao Zedong.

Mao Zedong began to talk about the "bourgeois right" (it was translated as the "bourgeois legal right" while he was alive) in the "Great Leap Forward" and the movement of the people's communes in 1958. He also talked a lot about this right during the "Great Cultural Revolution." Viewed from his expositions in these two periods, his concept of the "bourgeois right" was divorced from Marx' original meaning and was a misunderstanding. The misunderstanding manifested itself as follows:

First, he misunderstood the "bourgeois right" embodied in the principle of exchange of equal labor in distribution according to the work done as the right of a bourgeois nature which distribution according to the work done possessed. He confused the "bourgeois right" Marx used in a given abstract sense which did not reflect the relations of capitalist production with the bourgeois right which reflected the relations of capitalist production, thus blurring the fundamental distinction between the socialist distribution system and the capitalist distribution system. In a series of talks after October 1974, Mao Zedong said that the eight-grade wage system, distribution according to the work done, and currency exchange were more or less the same as those in old China. Although he pointed out that the ownership system had changed, he overlooked that the change in the ownership system had produced a decisive impact on the nature of distribution relations, and therefore he confused to a certain extent the socialist distribution according to the work done with the distribution system in old China. Taking advantage of Mao Zedong's misunderstanding of the "bourgeois right," the "gang of four" wantonly created public opinion completely negating the socialist nature of distribution according to the work done and asserting that the socialist



distribution according to the work done was of a capitalist nature and was an economic basis and condition for the emergence of capitalism and the bourgeoisie in socialist society.

Mao Zedong was worried that the difference of remuneration caused by distribution according to the work done would bring about a great disparity between poverty and prosperity and even a privileged class. In fact, distribution according to the work done is opposed to exploitation, and exercising this principle constitutes an important condition for preventing the emergence of a new exploiting class. Furthermore, the compulsory implementation of this principle will enable the majority of exploiters to change into laborers who support themselves by their own labor. The implementation of the principle of more pay for more work will stimulate the vast number of laborers to actively and creatively work for society, to improve their productivity, and to enrich social wealth. Therefore, on condition that capitalist exploitation is eliminated, the difference of remuneration caused by distribution according to the work done is the difference in wealth on the road of common prosperity traversed by the laboring people. This difference will gradually narrow with the development of production and the improvement of laborers' scientific and cultural level as well as their skills. Implementing the principle of distribution according to the work done will not cause a new division of classes, but this does not mean that it is impossible for illegal acts, including occupying the results of others' labor through other channels, to arise in socialist society. For example, speculation, deception, corruption, theft, and abusing power to swallow up collective or others' property are all acts trampling on the principle of distribution according to the work done. Thus the state is required to adopt administrative measures to protect this principle and to block channels which may lead to the disruption of this principle.

Second, he misunderstood that since the "bourgeois right" existed in the distribution of the means of subsistence, it also existed in almost all economic and social relations. In 1958, he cited many examples to prove the existence of the "bourgeois right" in many fields of life, including the salary system, the graded wage system, the piece rate wage system, and the relations between men. He also related stratification, being divorced from the masses, treating others as equals, not living on one's ability but on one's seniority and power, bureaucratism, and the military ranking system with the "bourgeois right." In this way, he misunderstood the inequality embodied in the principle of exchange of equal labor mentioned by Marx and expanded the concept of the "bourgeois right."

We should point out that the relations between men in socialist society are quite an important problem. Under the influence of the ideology of the exploiting class and old traditions and habits, there are really many bad practices to be corrected. Mao Zedong discovered these bad practices and pointed out their harm. This is worth mentioning. But he rendered all this as the "bourgeois right," thus confusing problems of different categories.

Third, he misunderstood that the "bourgeois right" embodied in the principle of distribution according to the work done which should be negated in communist society must be eliminated in socialist society. While discussing the problem of the "bourgeois right" in autumn 1958, Mao Zedong had the intention of doing away with the "bourgeois right." In a speech in October of the same year, he suggested that the "bourgeois legal right should be gradually done away with." At a CPC Central Committee work meeting in Wuchang on 23 November, he said that the "bourgeois right" should be analyzed, discarding what was useless and retaining what was useful, so as to use the useful part to serve society. This time, his analytical attitude toward the "bourgeois right" changed a little as compared with his intention to thoroughly do away with the "bourgeois right." However, by dividing the "bourgeois right" into the useless part and the useful part, he changed the "bourgeois right" which has an objective definition into a policy which is dependent of the subjective will.

During the "Great Cultural Revolution" Mao Zedong again raised the question of criticizing the "bourgeois right." At the beginning of 1975 Mao Zedong made public the main contents of his instruction on the theoretical question, which were to criticize the "bourgeois right." Although he expressed the idea that criticism of the "bourgeois right" should not be conducted with undue haste, he still regarded the "bourgeois right" as an evil which the socialist society must eliminate. His formulation that it "should be restricted under the dictatorship of the proletariat" was precisely a reflection of this idea.

In the "Critique of the Gotha Program" Marx said long ago: "The right should never exceed the economic structure of a society as well as the cultural development of the society restricted by the economic structure." The existence of such a "bourgeois right" as distribution according to work in the period of socialism (if we should continue using this concept which is difficult for ordinary people to understand and which Marx only used in the "Critique of the Gotha Program") is suited to the development of the productive forces in this period. Although such a system of distribution is still not one of distributing the means of subsistence according to one's needs and has eliminated practical inequalities among laborers, it has eliminated the exploitation of man by man which has existed in the past thousands of years. Compared with the system of distribution in the previous societies of private ownership, this represents a profound revolution in the system of distribution in the history of mankind. Such "bourgeois right" as distribution according to work cannot and should not be negated in the socialist society.

Naturally, stressing the need to implement the principle of distribution according to work in a socialist society does not mean that communists regard the principle of distribution according to work as the ultimate objective of revolution. Nor does it mean that they will give up publicizing communist ideology. Encouraging a communist attitude toward labor and carrying forward the communist spirit are both necessary for the communist cause and indispensable to the implementation of the principle of distribution according to work. Only by approaching this question from the

high plane of communist ideology can we profoundly understand and correctly implement the policy of distribution according to work. Running parallel and complementing each other, both are aimed at building the socialist society--the lower stage of communism. Therefore, on the one hand, we should justly and forcefully publicize communist ideology and, on the other hand, we should also unswervingly carry out the policy of distribution according to work to ensure that the socialist modernization program marches along a correct orientation.

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## HISTORY AND KNOWLEDGE

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[Article by Qu Lindong [4234 2651 2639]]

[Text] I. Attach Importance To the "Revelations From History"

"We simply do not think that we should doubt or overlook 'revelations from history.' History means everything to us and we attach more importance to history than any school of philosophy, even more than Hegel." ("Collected Works of Marx and Engels," Vol 1, p 650) Engels thus affirmed the idea of "revelations from history" and stressed that "history means everything to us." What did he mean by "revelations from history"? Engels continued: "We demand that history be kept in the correct context, and we do not think that history is the revelations of 'God' but is the revelations of man, and can only be the revelations of man."

This thesis of Engels on the "revelations of history" tells us that by correctly understanding his past, man can understand the role of his activities and the future significance of this role and thus be filled with confidence in his own future. As social history itself has been created by man, naturally the "revelations of history" can "only be the revelations of man." This means that man's activities will surely have an impact on his understanding. This is associated with a well-known passage in the book "German Ideology," a book jointly written by Marx and Engels: "We only know one science, namely, the science of history." ("Selected Works of Marx and Engels," Vol 1, note to p 21) All these prove what great importance Marxists attach to the important role of the "revelations from history" in the development of human knowledge.

However, in reality, not all people have a clear understanding about this. Some people think that history is nothing but a study of the past events of the human race and has no vital relationships with the realities of people today. This view is undoubtedly incorrect. We are now carrying out a reform of our economic structure and we must be concerned with our economic results, enterprise management, and science and technology with extremely great enthusiasm, because this is the most important social practice at present. However, it is wrong if, in carrying out reform and socialist modernization, we are not concerned about history or attach no importance

to the "revelations from history." This is because there is continuity in the development of history and any particular reality is the outcome of a certain piece of history. This continuity in the development of history is inevitably reflected in people's practice and understanding. Only some people consciously realize this, and others do not. Marx and Engels pointed out: "Every stage of history faces, to a certain degree, the sum of the material outcome of the productive forces, as well as the relations between man and nature and between man and man that have taken shape in history. It also has the background of the productive forces, funds, and environment that the previous generation has passed on. On the one hand, these productive forces, funds, and environment are changed by the new generation. On the other hand, they also predetermine the living conditions for the new generation and cause certain development and an individual nature for the new generation. From this we can see that man creates the environment, but the environment also creates man." ("Selected Works of Marx and Engels," Vol 1, p 43) This passage very clearly tells us that the greater people's concern about the actual living conditions and the actual social environment, the greater the need for people to understand history. In other words, only when people really understand history can they deeply understand the questions of why they face the living conditions and social environment that they do instead of any other living conditions and social environment, how these living conditions and social conditions have taken shape and been preserved for them, and how they are to change these living conditions and social environment. They can thus very clearly see the role of history in people's practice and understanding. In order to solve social problems, they cannot help but must understand the historical conditions of the society. When Marx and Engels established the theory on proletarian revolution, they not only carried out research into the history of the capitalist society, but exerted great efforts in carrying out research into the whole history of the human race before the capitalist society. In order to expound on the possibility of the proletarian revolution in Russia, Lenin wrote a tremendous historical book entitled "Development of Russian Capitalism." Many people know even better the fact that when Comrade Mao Zedong theoretically expounded on the targets, tasks, motivating forces, nature, and prospects of Chinese revolution, he repeatedly talked about the history of China's feudal society and the history of China's semicolonial and semifeudal society. Just the same, in order to use and transform nature, we must also understand the history of nature and the history of the relations between man and nature. In order to promote the progress of science and technology, people must understand the history of science and technology. In order to develop social productive forces, people must understand the history of the development of productive forces and the history of the relations between the productive forces and science and technology. In order to make the current literature, art, and the social sciences prosper, people must study the history of their various spheres and the history of their various branches, and so on. For the sake of social practice today, in other words, for the sake of correctly understanding reality and transforming reality to aim for a higher goal, people must understand history and must attach importance to the "revelations from history."

## II. The Role of History in Man's Thought

What then is the concrete manifestation of the "revelations from history" in the process of the development of people's social practice and thought?

In regard to this question, beginning with the most ancient historical classics, the various historians, thinkers, and politicians of all the later dynasties put forth many valuable opinions which even today provide food for thought. After Marxism was spread into China, people's understanding and thought about this question entered a new stage, namely, a scientific stage. Here I shall select a few examples from the rich accumulation of China's historical documents and from some current research achievements to expound on the role of history in man's thought.

1. History and law: In ancient China, many people knew that from history they could understand the developmental trend of the society and of many things. One of Sima Qian's goals in writing the "Historical Records" was to study the "cause of successes, failures, and rise and fall" in history. ("History of the Han Dynasty: Biography of Sima Qian") Therefore, Sima Qian paid attention to analyzing the "trend of events." Later, Du You expounded on the "right ways of events," Liu Zongyuan expounded on "trends," and then Wang Fuzhi put forth the thesis that "following inevitable trends is the right way of events." ("Theses of the Song Dynasty," Vol 7) All the above reflected the process in which ancient people understood the developmental trend of things in history. Hu Sansheng said: "The 'principles' exist everywhere, in all events. From the successes and failure of events, we can know that the 'principles' have never failed for thousands of generations. How can history, then, be dispensable?" ("Preface to the New Annotations" to "History as a Mirror") Gong Zizhen also held: "When one knows history thoroughly, he becomes aware of the principles; therefore, if one wants to know the major principles he should first learn history." ("Collected Works of Gong Zizhen: Attach Importance to History") What they referred to by "principles" seems to be broader than the "right ways of events" and "trends." What is worth paying attention to is that they all placed great emphasis on the thesis that "history" contained "principles." All the above were the embryonic concepts and initial attempts of ancient people to understand the laws from history.

Marx and Engels established historical materialism and disclosed in totality the law that governs the development of human history. This had never been done by anyone previously. However, historical materialism has not blocked the way for people to understand and sum up certain concrete laws from history. In other words, it has not ended probing and thoughts on these laws. Precisely the contrary, only under the guidance of historical materialism can people continue to sum up from their correct understanding of history come concrete laws concerning their economic, political, military, scientific, cultural, and other activities and apply these laws to guiding people's social practice. Facts have proved that in order to sum up certain thoughts on the nature of laws in the various branches of the natural and social sciences and from the various kinds of practice in people's social life, we cannot dispense of the understanding and analysis of relevant historical knowledge.



2. History and reality: History is a mirror that reflects reality. This view was understood by our ancestors some 2,000 or 3,000 years before us. This is how they put it: "The mirror of the Shang Dynasty is not far out of sight. It is a reflection of the Xia Dynasty." ("The Book of Odes, State Ritual Poems, and Turbulence") They also said: "I have to refer to the history of the Xia Dynasty and to the history of the Yin Dynasty." ("The Book of History: Announcements by the Duke of Shao") Later, people said: "Reviewing the successes and failures of the kings before us provides a mirror to which we can refer." (Citation of the words of Emperor Taizong of the Tang Dynasty; see "Collection of Citations for the Royal Library," 550, "Section on State History, Chapter on Awards") "We can refer to the successes as well as the failures and to both the opinions that are similar to ours and those that are dissimilar. Therefore, when we refer to history for providing a good model, what matters is only our sincerity. By taking this attitude, we will have much to refer to in history." (Wang Fuzhi: "Theses on 'History as a Mirror' Preface No 2") All this is further development of this basic idea.

In referring to history, a most important question is how we are to adopt a correct attitude toward social reform. Before the well-known reform by Shang Yang, there was a fierce debate. The key question of the debate was what attitude the people should adopt toward history. "We will make no mistakes if we follow the practice of our ancestors; we will give rise to no evils if we follow the old rule of rites." This was the view upheld by those who opposed the reform. "The principles for good rule vary and as long as a policy is favorable for the rule of our country, it is not necessary that the policy follows the practice of our ancestors." This was Shang Yang's view. (Refer to "Book of His Excellency Shang Yang: Law Reform") Before his reform, Wang Anshi wrote an article entitled "Submission to Emperor Renzong." In the programmatic article on his reform, he time and again cited history and in particular cited the achievements of the reform at the beginning of the Tang Dynasty as grounds for his own reform. This was the same for the reform movement of 1898. We can say that the better people's understanding of history, the better their understanding of the importance and urgency of social reform. It is as Lu Xun said: "When we read history, we become even more aware of the fact that there must be no delay in the social reform in China." ("Collected Works of Lu Xun," Vol 3, "Canopy Collection: This and That") Of course, the reform that was carried out by people in different historical periods differed greatly in content and goals, but the study of the historical experiences is of direct significance in urging people to make up their minds to carry out reform.

In an even broader sense, the enlightenment that people get from history in understanding reality can play a positive role in the social practice of people. In order to do our work well in an area, a department, or a specialized trade, we should undoubtedly understand history. For example, the approximately 8,000 existing local annals of our country have given a rich account of the natural and social histories and situations in different periods and different areas. They touched upon matters related to astronomy, geography, economics, politics, history, biography, archaeology, customs of the people, local products, minerals, and so on. When one is

working in an area, reading the local annals of the area will do one much good and help one widen one's field of vision and become better informed. Du You, a historian and politician of the Tang Dynasty, spent 36 years writing a general history about the Chinese system of law and documents entitled "Comprehensive Study of History." Du You's aim in writing this huge book of 200 volumes was to "provide reference for exerting good rule" and thus serve politics in the real world; in other words, to achieve the goal of "making the country rich and enabling the people to live in peace and security." Later, people praised this book and called it a book that provides "good examples for ruling the country" and "practical and useful knowledge." Today, the various systems in our country are entirely different from what was recorded in the "Comprehensive Study of History." However, even today we can get enlightenment from its economic thoughts, thoughts about the rule of government officials, ideas about talented people, thoughts about the legal system, military thoughts, and thoughts about nationalities, if we read the book and use Marxist viewpoints to analyze these thoughts. This is not only the case with the "Comprehensive Study of History," but is also true for many other historical classics and books. Even for a particular profession, history can help people to better understand the profession and the relations between the profession and the society, and thus becomes an indispensable aid for people in embarking on a route of success through practice. The well-known thesis "Initial Research Into the Change in the Weather in China in the Past 5,000 Years" written by the late Mr Zhu Kezhen, a meteorologist well-known both at home and abroad, showed this scientist's profound historical knowledge. Yao Hanyuan, a professor who researches modern water conservation projects, has devoted most of his life to research into the history of China's water conservation and has put forth many creative opinions of scientific value on modern water conservation construction and research from the study of the history. Just as well-known mathematician Su Buqing said, citing Bacon, a forerunner of modern science: The study of history makes people wise. Mr Su held: Reading some history about science and technology provides very good reference for us in selecting research topics and grasping research methods in the future. From this we can see that as long as people attach importance to history and understand history, they can draw useful lessons from history.

3. History and the future: People's understanding of history not only provides useful reference for their actual needs at present, but also helps in observing and predicting the future. There has been a traditional view for Chinese historians since ancient time: "Narrate past events and think about the future"; "become clear about past events and study future events"; and "sum up the past and draw on lessons from it for the future." They held that summing up and expounding on history contributed to studying and forecasting the future. The link between the two is people's understanding of "the beginning and the end," "rise and fall," "changes," and "general evolution" in historical events. Zhang Xuecheng also holds that when one expounds on history, one should "have a perfect understanding so as to predict the future." "Having a perfect understanding" means that one should understand and know how to refer to history. Only by so doing can people "predict the future." These views are very simple in nature, therefore they



have great limitations. However, their efforts in attempting to observe the trend of future development through understanding history by thinking about it is valuable and is mental wealth that enlightens their posterity.

It was not until the emergence of Marxism that people became able to scientifically observe and predict the future from history or through an understanding of reality. Fundamentally, this was because Marx discovered: "The development of social economic modes is a natural historical process. No matter how hard an individual tries to detach himself from various kinds of relations, in the sense of the society, he always is a consequence of these relations." ("Selected Works of Marx and Engels," Vol 2, p 208) It is as Lenin said, concerning predictions of the future: "Marx was never a dreamer and he did not create or imagine a 'new' society. On the contrary, he regarded the process of the birth of the new society from the old society and the transition from the old society to the new one as a natural process of history and studied them accordingly." ("Selected Works of Lenin," Vol 3, pp 211-212) Therefore, the predictions of Marxism about the future of man's society was not a muddled one, but a clear and definite one. It is not imagination, but a scientific prediction.

4. History and self-cultivation: An understanding of history helps people become enlightened, distinguish between right and wrong, foster fine aspirations, and become broad-minded. Long ago, our ancestors put forth the view: "A man of noble character fosters his virtues by knowing much about past speeches and deeds." ("The Book of Changes: Great Accumulation") Later people explained this passage in this way: "By memorizing and understanding more words and deeds of the wise people in the past, one will have better knowledge and foster one's virtues." What they meant by the "speeches and deeds in the past" was certainly much narrower than what we mean by history, but after all, these speeches and deeds are a part of history. Attaching importance to this part of history and holding that people should understand these speeches and deeds in order to be able to attain the goal of training and accumulating one's virtues shows that they affirmed the role of history in improving people's self-improvement. What was meant by "virtues" here is not only one's moral character and behavior, but also one's ability to distinguish between and understand things. Confucius called himself a man "who was truly interested in ancient things." He frankly admitted: "I was not born with knowledge, but I am interested in ancient things and am diligent in seeking them." ("Analects: Chapter Expound") The great thinker and teacher clearly told his students that his broad and profound knowledge came from his study of ancient history and culture. From the dialogues between him and his students which are recorded in the book "Analects," we have evidence that Confucius had abundant knowledge of history. He not only wrote the chronical "Spring and Autumn," but also used it as a textbook to teach his students. He was the earliest scholar and teacher who attached importance to historical education. Judging by the situation at that time, quite a few followers of the Confucius school were very well educated and highly self-improved. This is due to the fact that they had received a fine historical education.

The role of history in people's self-improvement is realized through their conscious understanding of history. Li Dazhao held that a progressive and revolutionary outlook on history can guide people to foster a sense of a sacred mission by understanding history. He said: "When we read the history of the heroes and outstanding people who gave their lives for their country, we can see that there is not anything particularly different about these heroes and outstanding people from ordinary people, only that they are more sensitive to the demands of the society and have greater enthusiasm for satisfying these demands. Therefore, they bravely devoted themselves to the society and have left us heroic and moving historical lessons. When we of later generations read history, we are inspired and naturally have respect and admiration for their deeds and the idea to follow their examples if necessary. As a result, a resolution emerges in our minds to be willing to be frontrunners of the society." ("Selected Works of Li Dazhao," p 507) People's understanding about history, in particular, their understanding about the question of what people and things are significant in history, will urge them to upgrade their understanding of the relations between themselves and their society, state, and nation and heighten their sense of a historical mission. We often talk about the problems related to historical education, because from the point of view of the broad social aim of the education, it is aimed at helping people's self-cultivation related to knowledge, morality, mentality, and ideals. Comrade Mao Zedong pointed out: "Failure to pay attention to studying the present situation, history, or the application of Marxism-Leninism is a very bad work style." He criticized some people: "They know nothing of history or little about it, and they do not feel ashamed, but feel glorious." ("Selected Works of Mao Zedong," Vol 3, pp 755, 756) These words extremely profoundly explained the relations between history and people's self-improvement.

Of course, history cannot give people knowledge about all things. The important source of knowledge for people is current social practice. However, history is indispensable for people's knowledge, because after all, history is the practices of people's ancestors. Comrade Mao Zedong held that we should "apply Marxist-Leninist theory and methods to make a systematic and careful investigation and study of our surroundings and environment"; "we should not be divorced from history"; we should "not only understand China today, but should also understand yesterday's and the day before yesterday's China"; and we "should study with aim the theory of Marxism-Leninism and integrate the theory of Marxism-Leninism with the actual movements of the Chinese revolution." This is a Marxist-Leninist attitude and work style. (Refer to "Selected Works of Mao Zedong," Vol 3, pp 758-759) Even today his words are still of great guiding significance for all those who are engaged in practical and research work in heightening their consciousness in studying history.

### III. Knowledge Develops and Deepens Along With History

The process of people acquiring correct knowledge from history is not finished at one stroke. The knowledge they have already acquired will not remain unchanged forever. As history develops and people's social practice deepens, people will continue to acquire new understandings about history

and assess history in a new way. Their knowledge develops and they become able or relatively able to explain the historical problems and phenomena that they were unable to explain or they could not entirely correctly explain. Thus, people's knowledge takes a step forward and deepens to a greater extent. "Before the middle of the 19th century, people did not have scientific knowledge about the laws that govern the development of social history. It was not until the modern proletariat emerged along with the tremendous productive forces--the large industry--that people became able to understand in an all-round and historical manner the development of social history and turn their knowledge about the society into a science--the science of Marxism." ("Selected Works of Mao Zedong," Vol 1, p 260) This was said from the point of view of people's thorough knowledge of history and society. It is also true of people's knowledge about certain concrete historical phenomenon. For example, in Qu Yuan's "Questions to Heaven," many questions are asked about the history from the Xia Dynasty through the Shang Dynasty and the Warring States Period. More than 1,000 years later, Liu Zongyuan wrote an article "Answers by the Heaven" to answer the questions asked by Qu Yuan. From today's point of view, many of his answers are disputable, but his understanding about history was much deeper than that of the people of Qu Yuan's time. As another example, at the beginning of the Han Dynasty, Liu Bang wanted to sum up the causes for the fall of the Qin Dynasty and the rise of the Han Dynasty. He ordered Lu Jia: "Please write something for me on the questions of why the Qin Dynasty lost the rule and why I have won the rule and on the successes and failures of ancient countries." Then Lu Jia "gave a rough account of the causes for the rise and fall" and wrote 12 items known as "New Talks." At the beginning of the Tang Dynasty, Emperor Taizong and his officials repeatedly discussed the causes for the fall of the Sui Dynasty and the rise of the Tang Dynasty. The discussion is recorded in detail in the book "Outline of Politics in the Reign of Zhenguan," written by Wu Jing. Wei Zhen compared the Sui Dynasty with the Qin Dynasty and thus further deepened people's understanding about these two dynasties. From this we can see that the method of comparison in studying and understanding history was not invented by people of modern times, nor did it come from abroad. Moreover, it took a very long historical process for the Chinese people to understand Western colonialism and imperialism. In the periods of the movement of Heavenly Kingdom of Peace and the Boxer Movement, they only had a general understanding of the aggressive activities of colonialism and imperialism. However, by the time of the "4 May" Movement, they realized the various internal and external contradictions in imperialism and the essence of the fact that imperialists combined with China's comprador class and feudal class in exploiting the Chinese people. All this shows that as history develops, people's understanding about society and history also continues to deepen, to become more correct, and to reach truth or approach truth. There is no end to the development of history and thus there is also no end to the role of history in people's understanding. Li Dazhao said: "History has vitality; dead and outworn records cannot display that vitality. It all depends on the later generations who have new historical concepts to put history in order and to understand it. As expected, the later generations will also have new understandings and inventions. We also do not know whether what we now think is new will become erroneous. Our idea about what is real fact and

our understanding of truth is not fixed, but is comparative." ("Selected Works of Li Dazhao," p 483) This is precisely the dialectics on how people acquire their knowledge from history. We cannot divorce ourselves from history. History is the reality of the past. According to Engels, reality is the "living history of the present." ("Selected Works of Marx and Engels," Vol 1, p 601) Therefore, the acquisition of new knowledge by the people who are engaged in social practice under the new environment and new conditions is in fact an action of the "living history of the present" on the people's understanding. In short, along with the development of history, people may continue to acquire knowledge from history. There is never an end to the development of history. People's understanding will deepen continuously. This conforms to the law of understanding of the human race.

CSO: 4004/28

CORRECTIONS SHOULD BE MADE IN THE NEW TRANSLATION OF A PASSAGE FROM LENIN ON LITERATURE AND ART

Beijing RED FLAG in Chinese No 11, 1 Jun 85 p 23

[Letter from Zheng Yifan [6774 3976 0416]]

[Text] Editor's note: Regarding the problem brought up in Comrade Zheng Yifan's letter, this magazine has solicited the views of the Central Translation Bureau. The Central Translation Bureau has expressed the opinion that Comrade Zheng Yifan's views are correct. The translation of this passage from Lenin on literature and art should be corrected to as follows:

"Each and every artist and any person considering himself to be an artist demands the right to freely produce creations according to his own ideals, regardless of whether or not the ideals have any use."

Comrade Editor:

RED FLAG No 13, 1984, announced "an important correction to the translation of a passage from Lenin on literature and art" and carried the new translation of a passage from Lenin in Cai Tejin's "Remembering Lenin" in the book "Lenin's Discussions on Literature and Art" published by the People's Literary Publishing House in 1983. In my opinion, the new translation did not correct, at the crucial place, the error in the old translation and still did not correctly reflect Lenin's original idea.

The translation in the 1960 publication reads: "Each and every artist and each and every person who himself wishes to become an artist has the right to independently and autonomously and freely produce creations according to his ideals."

The translation in the 1983 publication reads: "Each and every artist and each and every person hoping to become an artist can have the power freely to produce creations in accordance with his ideals, regardless of whether the results of the ideals are good or bad. Thus, you come across stimulation, trials, and confusion."

The new translation restores the final clause which the editor of the Russian text deleted. This is necessary because it helps in understanding, in an integrated manner, Lenin's thought. However, speaking of their basic ideas, these two translations are the same. In reality, what Lenin talked about here was not the problem of whether or not objectively artists have the right freely to produce creations. Rather, his words were directed at the phenomenon of confusion in the literary and art circles in Soviet Russia at that time. At that time, many artists, disregarding the consequences, freely turned out creations in accordance with their own thinking, and, as a result, various kinds of unbearable confusion appeared. Hence, Lenin followed up by saying that Communist Party members had no right to sit on the sideline and watch but should, in a clear-headed manner and meaningfully, carry out leadership.

The original German text of the two key words "demand....right" in Lenin's talk were: nimmt als sein gutes Recht in Anspruch [published in German]. These words were found in the "German-Chinese Standard Dictionary" to mean "advocating his right." The Russian translation published in the 1950's translated them into имеет право [published in Russian] (meaning has the right). This was a wrong translation. Subsequently, in the 1970's the Russian translation translated the phrase into претендует на право [published in Russian], meaning "ask to have, hope to get, go after, wishfully hoping to get, covet....right." This was in conformity with the original idea of the German text. Therefore, the correct translation of these words of Lenin's should be:

"Each and every artist and any person considering himself to be an artist demands the right to freely produce creations according to his own ideals, regardless of whether or not the ideals have any use. Hence, you will meet with excitement, trials and confusion."

In view of the important nature of this talk from Lenin and in order to clearly understand Lenin's thought, it is extremely necessary to make another correction of the new translation of this passage from Lenin.

CSO: 4004/28



INITIAL STUDY ON TRAINING SHANGHAI'S INDUSTRIAL ADMINISTRATION BUREAU DIRECTORS

Beijing RED FLAG in Chinese No 11, 1 Jun 85 pp 24-28

[Article by Shu Guocheng [3007 0748 6135], Xu Kangxiong [1776 1660 7160], and Wu Shenyao [0702 3947 5069]]

[Text] Editor's note: This is an article that contains materials, analyses, and suggestions. It raises the problem of training the young cadres who have been newly promoted to leading posts. This is a problem that exists everywhere in our cadre ranks at present. On the basis of a great deal of investigation and study, the writer has made an analysis to rouse people to think. The tentative ideas and suggestions that he has put forth facilitate improving the work of education among our cadres. Therefore, this journal particularly recommends this article to our readers.

The four modernizations and Shanghai's economic development strategy urgently need correspondingly competent management personnel to lead the work of modernization. The question of how we are to train our cadres and improve their quality has already become a general concern for the leaders at all levels. However, generally, we only pay attention to the training of the cadres who directly do management work, but fail to fully understand the question of how we are to train and improve the quality of the bureau directors who exert macroeconomic administrative leadership over the micro-economy. The law of economic development tells us that the more the microeconomy is enlivened, the wiser and the more competent should the macroeconomic leadership and planning be. When we have shrewd factory directors and managers, we demand more competent bureau directors. If we fail to pay attention to this, from a long-term point of view, Shanghai's entire economic development strategy will be seriously affected.

I. Tasks for Our Industrial Administration Bureau Directors

Shanghai is a center for opening up to the hinterlands as well as for opening up to the outside world. Shanghai's output value, financial revenues and total value of exports account for a great percentage of those of the

whole nation and this has determined Shanghai's important economic position. The central authorities have clearly raised the demand that Shanghai should become an economic, scientific and technological, financial, information, and trade center for the whole country; that Shanghai should become a highly civilized, modern socialist city that can perform many functions, and has a rational structure and advanced science and technology; that Shanghai should play the role of a pioneer in charting a path for the four modernizations; and that Shanghai should create a "Shanghai efficiency," "Shanghai level," and "Shanghai concept" to lead the whole country. From the point of view of the breadth of the task, this special mission that history assigns Shanghai demands that the industrial administration bureau directors in Shanghai should extend their strategic field of vision from the scope of their own bureaus to the whole country, the Asian and Pacific region, and even to the whole world. From the point of view of the depth of the task, it demands that these directors should be adapted to the new tide of the new technological revolution and the quick development of the economy; to heightening the ability of the Shanghai industrial sector in introducing from abroad, assimilating, and transferring the achievements of the new technological revolution; and to reducing the disparity between our country and the advanced countries. On the one hand, we demand that high-ranking leading cadres should resolutely implement the policy of separating the functions of government from those of enterprises and correctly give play to the functions of government organizations in administering the economy; while on the other hand, we require that they proceed from the principled stand of the interests of the state and the party and conduct macroeconomic planning for, control over, and services for our factories and enterprises in order to ensure the socialist orientation of these enterprises. Therefore, there is a clear change in the ideas, concepts, and methods of the functions of these administration bureau directors--a change from the previous direct administration and management of enterprises to mainly doing the work of formulating strategy and plans for economic development; a change from the previous practice of directly intervening in the "economy inside the factories" to mainly doing the work of coordinating the development plans and economic relations between areas, departments, and enterprises; a change from the previous practice of relying only on administrative orders to providing services for, regulating, and supervising the enterprises mainly by means of applying economic information, economic means, and economic legislation; and a change from arranging general technology and transformation projects to focusing on arranging key projects and exchanges and cooperation with the outside world. In order to do so, in addition to the qualities that ordinary management cadres must have, the industrial administration bureau directors in Shanghai have to pay attention to the following qualities and characteristics:

First, they should not only master the concrete principles and policies but should also pay attention to the critical interests of the party. Shanghai is a center that combines opening up to the outside world with opening up to the hinterlands. It has a decisive influence on the economic reform of the whole country. This requires that, when they consider various kinds of international and domestic economic problems, these directors should not only study the concrete principles and policies, but it is more important

for them to closely coordinate their work with the entire undertaking of the four modernizations and to always put the party's and state's most vital interests and final goal first.

Second, they should understand the "economy inside the factories," but it is even more necessary for them to understand the "economy outside the factories." Shanghai ranks first in the whole country for the number of its industrial enterprises, the full variety of trades these enterprises are engaged in, and the close mutually dependent relations between these enterprises. Our industrial administration bureau directors who mainly do the job of administration and management, should not only understand the management of the "economy inside the enterprises," but should also serve the needs of macroeconomy and have the ability to conduct macroeconomic planning and control over the management of the "economy outside the factories."

Third, they should consider local characteristics, but they should pay even greater attention to the effects on the whole situation. The strategic position of Shanghai's industrial sector in the whole country and the economic responsibility undertaken by this sector for the whole country cannot be replaced by any other areas in the country. This requires that, in addition to considering the characteristics and economic results of the production in the systems under these directors, these directors should be freed from the limitations of their previous work methods which they adopted when they directly administered and managed enterprises, should conduct their planning and leadership from the new high angle of the overall effect and on behalf of the overall interests of the state, and should have great strategic insight in making policy decisions.

Fourth, they should not only pay attention to the domestic situation but should pay even greater attention to the situation in the world. Shanghai has wide contacts with the world economy; great potential in drawing in from abroad, assimilating, and transferring foreign funds and technology; and an important position in opening up to the outside world. This requires that the industrial administration bureau directors should pay attention to not only the domestic situation and needs but also the situation and needs in the world. For this purpose, we must try to find ways and methods of scientific training in the light of the current situation and objective demands of the Shanghai industrial administration bureau directors at present.

## II. Speed Up the Transformation From "Hard Specialist Management" to "Soft Specialist Management"

Since 1983, there has been an all-round reshuffle of the cadres at bureau level in Shanghai in light of the requirements for making our cadres more revolutionary, younger, better educated, and more professionally competent. This has put an end to the situation of the cadres being too old and too poorly educated. Some middle-aged and young bureau directors have displayed their advantages in creating a new situation in Shanghai's industrial sector. However, there is still a relevantly big disparity between the

requirements of modern management and the quality and competence that the Shanghai industrial administration bureau directors have acquired. The following are the main problems:

First, these cadres are well educated and highly professionally competent, but most of them are "hard specialists." After the first reshuffle of the leading groups of 22 bureaus in the system under the Shanghai Economic Committee, 66.7 percent of the 158 cadres at bureau level were at or above the college educational level. Another analysis of the 85 middle-aged and young bureau-level cadres who were under the age of 50 shows that they were even better educated, 78 percent of them being at or above the college level and the rest at or above senior middle school level. In the future, there will be no problem in making the cadres better educated. However, an outstanding problem is that most of them are "hard specialists" who have been transferred to management posts from technical posts; while very few of them are "soft specialists" who are proficient in economics and management. We have made a survey among 56 of the bureau directors and deputy bureau directors and found that 18 percent of them had previously majored in management specialties, while 77 percent of them had majored in and been engaged in technology specialties and jobs. Quite a few of the latter had been engineers and senior engineers who had long been engaged in the jobs of engineering and technological research and design. Judging by their spheres of knowledge, about 80 percent of these bureau-level cadres have studied philosophy, political economy, and other political theories, about 40 percent of them have studied finance, planning, and other knowledge about enterprise management; and an even smaller percentage of them--less than 20 percent--have read about modern management knowledge such as systems science, cybernetics, information science, operational research, and the science of policy decisionmaking. They are specialists in their own lines of technology and have their strong points in management, but as high-ranking leaders and representatives of the management organs of the government, they lack economic knowledge and are ignorant about management theories. A small number of bureau directors have reflected that, as they were in charge of technical work for a long time at the basic level, since being appointed bureau directors they have found it very hard to draw up strategic plans from a commanding angle over the constantly moving economic situation of hundreds and thousands of factories and business firms in order to cater to the needs of the economic reform because they lack knowledge about economic management and understanding of economic laws. This shortcoming in their knowledge mix will inevitably cause them to be ignorant and incompetent about certain links of management and to commit mistakes imperceptibly and unconsciously because the lapses in their knowledge cause them to fail to pay attention to these links.

Second, the cycle for training people and turning them into talented people has been shortened, but these people lack experience in conducting administrative leadership and macroeconomic management. Compared with old bureau directors, the average cycle for training middle-aged and young cadres into talented people has been shortened by two-thirds and this has been a great advantage. However, as they stayed in their previous posts for short periods and have not been rotated through relatively many posts, some of them being

directly promoted to bureau-level leading posts from sub-bureau level engineers or cadres, they have not had enough time and opportunities to accumulate experience. Therefore, they are not adapted to the work of leading the work of the whole bureau and are not familiar with the work of administrative leadership. Some comrades often substitute direct commands for management level by level and the striking of "balance" for coordination between various departments, and pay attention to "ad hoc handling of problems" but neglect the work of making strategic policy decisions. As they are used to the management of a small part of a sector, they lack the abilities and qualities needed for high-ranking leading posts; therefore, it is very difficult for them to really adopt the stand of the interests of the whole sector and represent the interests of the state in directing the production of enterprises and realizing macroeconomic coordination. As a result, they often inappropriately proceed from the interests of their department, compete with the state interests, and thus give rise to the situation of the microeconomy going out of control.

Third, there is an urgent need to update their knowledge, but they are too busy with their work to spare any time for study. The pace of the renewal of knowledge is very quick at present. Engels said that the quick development of science in his time made it difficult for him to catch up, but the rate of the increase in modern scientific knowledge is even quicker. According to an investigation among college graduates who graduated in 1965 by the CPC Central Committee Party School: "By the end of the 1960's and the beginning of the 1970's, nearly half of their professional knowledge had already become outdated and by the middle of the 1970's, as much as 75 percent of their knowledge was outdated. If we take into consideration the failure to follow up on the development of knowledge caused by the 10 years of turmoil, the situation of the obsolescence of the knowledge among college graduates who graduated before the 'Great Cultural Revolution' has been even more serious; for during this period, there were quite a few years when these people had no opportunity to acquire knowledge. However, it is precisely this generation of college graduates who is playing a backbone role in our four modernizations." Our investigation has discovered that most of the existing bureau-level cadres graduated from colleges before 1965 and that they urgently hope to update their knowledge and change their knowledge mix. However, most of the bureau directors reflected that they were too busy with their work, had to read and examine too many documents, and thus had no time to study nor even to read newspapers or watch television. To the question "what is the greatest difficulty that you have met in your work," 89 percent of the 85 bureau-level cadres answered that "they are too busy with their work, have too many meetings, and not enough time." Though some comrades have already paid attention to updating their knowledge, the degree of this updating has fallen far short of the demands of the development of the economic situation. Therefore, on the one hand, they lack "soft knowledge" about economics and management and, on the other hand, their "hard knowledge" continues to become obsolete. This has given rise to an unfavorable cycle.

The responsible comrade of the Shanghai Economic Committee has pertinently pointed out that the major problems for our bureau directors at present are:



1) They lack a sense of their whole systems, and fail to understand the relations between the part and the whole. This has been outstandingly shown by the fact that, within the scope of their bureaus, they treat symptoms but not the disease in handling problems and, in the scope of the whole municipality, they focus only on their own bureaus and pay no attention to coordination with other bureaus. 2) They lack insight in strategic development. A relatively large number of the bureau directors deserve the title of very satisfactory tactical commanders, but they are very plain strategic commanders. 3) They are not familiar with macroeconomic laws. 4) They lack organizational and coordination ability. These shortcomings in our middle-aged and young bureau directors show that training bureau directors and improving their qualities has become an urgent task at present.

### III. Suggestions and Tentative Ideas on the Training and Improvement

Through carrying out research into the training systems of the Chinese People's Anti-Japanese Military and Political College and the party schools and through referring to the training systems and methods of the Soviet Union, Romania, Bulgaria, the GDR, Korea, and other socialist countries and those of Japan, the United States, and other capitalist countries, and in the light of the current situation of the work of training, we hereby put forward the following suggestions:

1. We should establish a bureau director training center and draw up plans to give them guidance and training as soon as possible. As the work of training factory directors and managers develops, a set of organizational and leadership organs has gradually taken shape, but as yet, there has been nothing at all concerning the organs that train high-ranking economic leading cadres. We suggest that the organization department and the party school of the municipal CPC committee jointly organize and establish a Shanghai bureau director training center, draw up a plan to lead the all-round development of the work of training, and concretely coordinate and guide the implementation of the work of training. On this basis, we plan to establish training bases, apply modern means and facilities of teaching, and carry out effective training work.

2. We should speed up the work of editing textbooks for training bureau directors and thus promote the regularization of bureau director training. In order to achieve fine quality in the training for bureau directors, the textbooks for this training must first be of fine quality. We should not simply copy university textbooks or copy without making the least revision some foreign management theories and techniques. We should write appropriate teaching materials in light of our national conditions and Shanghai's characteristics and in accordance with the bureau directors' needs. Therefore, we suggest that we should immediately organize relevant specialists and professors to give play to the strength of Shanghai's many higher education institutes, and write teaching materials that meet the needs of training our bureau directors and that have their distinguishing characteristics.



3. We should pay attention to first giving training to those who train bureau directors and thus ensure the fine quality of the work of training. Those who educate others must first receive education. We should give priority to the initial training of those who train bureau directors. These people should learn the latest knowledge earlier than their students. If conditions permit, they should make inspection tours to advanced countries and this is an effective method for training a large number of cadres. We suggest that we conscientiously create conditions for the teachers of this training to make inspection tours abroad and thus provide them with the opportunities to widen their scope of thinking.

4. We should have high-ranking leaders give periodic lectures. According to the experience gained by the Chinese People's Anti-Japanese Military and Political College, we suggest that we should have high-ranking party and government leading cadres, high-ranking specialists and scholars, and well-known foreign specialists and professors give periodic lectures to our bureau directors. This will enable them to widely receive guidance over their work and acquire vertically and horizontally wide-ranging, high-level, modern, and intensive knowledge and information, and thus make it possible for them to understand and solve problems from a higher ideological angle.

5. We should gradually establish a system to assess the training of cadres and thus urge our cadres to renew their knowledge. At present, we are in an era in which knowledge develops and is renewed tremendously quickly. Our state cadres should not rely only on the periodic rotational training that they are to receive every 3 or 5 years for refreshing their knowledge. Their daily study and accumulation of knowledge is very important. We suggest that a leadership management science degree assessment and examination committee be set up and a management science degree treatise query examination system be established in order to urge our cadres to consciously refresh their knowledge on their own.

Concerning the method of giving bureau directors training and improving their quality, we have solicited opinions from the existing and reserve bureau-level cadres and from specialists and professors and hold that we should attach importance to the following four methods:

1. The method of short-term study and training. This method has been confirmed by the specialists relatively unanimously and with the agreement of more than 80 percent of the cadres. Its feasibility is shown in the following consideration: At present, most of our middle-aged and young cadres are at or above senior middle school and college educational levels; therefore, what they need is not training to make up a lack in general education, but training to give them the latest knowledge about the world economy. Most of them have shouldered heavy responsibilities and have only been appointed to their current posts for a short time; therefore, it is inappropriate both for the needs of their work and for their mentality to have them leave their posts and take training courses for a long time. Our experience has also proved that short-term study and training is the best way. However, in holding short-term training courses, we should pay attention to the following five major characteristics of these courses:

short (short durations of time), new (giving the newest knowledge), selective (we can select the best knowledge to teach them because of their high educational level), intensive (intensive training to infuse large amounts of knowledge into them), and vivid (adopt interesting, vivid, and modern methods). Only by so doing can we achieve good results.

2. The method of studying through making inspection tours. This method has aroused the attention of most cadres and specialists. More than 90 percent of the bureau-level cadres expressed the view that this is a "very good" method in their answer to the questionnaire and the specialists also hold a relatively identical view on this. They hold that one of the prominent characteristics of the economic work in Shanghai is that it has already been catering to the needs of the world. If we do not understand the current situation abroad and if we do not make actual inspection tours, it is difficult for us to deeply understand the situation and this will affect our ability to draw correct conclusions. We have visited the comrades who were assigned to bureau-level posts after they received training via inspection tours abroad. What they have most profoundly realized through the inspection tours is that their field of vision has been greatly widened and that they have found that the true situation differs greatly from their previous ideas. Of course, this inspection should also include the inspection of advanced areas and units at home. We hold that in order to do a good job of studying through inspection tours, we should urgently attach importance to the following factors: 1) The students who make inspection tours must have definite topics for their inspection. 2) They should have made relatively deep investigation and research on these topics at home. 3) We should have an advanced foreign unit or organization as the base for our inspection tours and training. 4) The teachers who guide the study through inspection tours must know foreign things relatively well. By so doing we will be able to avoid the practice of conducting inspection tours in the manner of making quick sightseeing tours.

3. The method of practicing in posts level by level. The answers to the question "what gives you the best help?" show that most of the cadres think that the "training in working in posts level by level" gives them the best help. The investigation showed that this method got the highest percentage of consent. In fact, 90 percent of the cadres are in favor of it and the specialists are most identical in their views affirming this method. The medium-aged and young cadres hold that training at posts level by level enables them to directly gain experience and draw on lessons. Judging by the practice abroad, foreign countries, whether Eastern European countries and the Soviet Union or the United States and Japan, all continue to pay attention to the training at various levels of actual posts, though they all have relatively regular and relatively highly scientific management training centers and management institutes. However, we must point out that what we mean by the training at actual posts level by level is not only a traditional two-dimensional training, but should have scientific and three-dimensional effect; therefore, it should be scientifically controlled in accordance with corresponding criteria. First, there is the criterion of soundness in the training in the post at each level. This means that when a cadre is receiving training in working in a certain post, he should actually

shoulder the major responsibilities for the post. Second, there is the criterion of the breadth of the step in the training at actual posts level by level. This means that at each post, the cadres should stay for the necessary length of time to gain and accumulate relatively broad horizontal experience that is widely representative and typical. Third, the depth of the step in the training at actual posts level by level. This means that they should not be satisfied with accumulating dispersed perceptual experience, but should sum up their experience and arrive at a rational understanding. At the same time, it is required that the actual training at every step must be closely combined with theoretical research and thus enable them to write treatises of fine quality.

4. The method of daily self-study. The results of our survey also show that people all attached relatively great importance to this method. Some people had an even stronger demand for this and hoped that a day would be spared for study every week to ensure self-study time. There are two links we must satisfactorily deal with for our self-study: 1) We should provide good materials and books for the study and we should employ specialists and professors to give guidance on the study; and 2) we should ensure time for study (we think that the 5-1 system--the system of 5 working days and 1 day for self-study--is a feasible system) and establish an assessment and examination system (the establishment of a cadres' self-study examination and degree system). As for the giving of lectures on various subjects, the results of our survey show that we must pay attention to the following: 1) These lectures should be formed into series; 2) they must be stratified and relevant; and 3) they should be linked with the self-renewal of knowledge.

In order to write this article, we analyzed the current state of affairs relating to 100 bureau directors and 236 reserve cadres at bureau level, referred to relevant documents and materials, solicited the opinions of many specialists and scholars, visited the relevant leaders of the offices of 5 committees and 10 bureaus, and designed 15 programs for computers to process 50,077 data in line with more than 400 indexes. The large amount of data, abundant experience and profound opinions have broadened our scope and enabled us to learn knowledge beyond the scope of our own practice. We believe that through updating knowledge and training to improve their quality, the directors of Shanghai industrial administration bureaus who are striving to perform the pioneer role for the four modernizations in the industries under their leadership and who are taking the lead to strive to achieve the growth rate and economic results with Shanghai's characteristics, will be better adapted to the demand of the socialist four modernizations, have greater influence on Shanghai's economic development strategy, and play an even greater role in satisfying the requirements that the central authorities have placed on Shanghai.

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## AWARDING INVENTION AND CREATION AND TO EACH ACCORDING TO HIS WORK

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[Article by Xian Liang [2556 6081]]

[Text] In recent year, relevant departments in our country, acting in accordance with state regulations, have given relatively large awards and other forms of honor to people who have made inventions and creations, or rational suggestions, or important contributions to science and technology. Is this in accord with the principle of to each according to his work? This article will discuss this problem.

### Full Estimation Must Be Given to Mental Labor

We must have a correct understanding of the mental labor of intellectuals and the scientific and technological products of their mental labor. The labor of intellectual elements is principally mental labor, also known as intellectual labor. It is opposite to the manual labor of workers and farmers. Naturally, the labor of workers and peasants is not wholly manual labor, since in the course of work, the mind must be used, to devise means, and therefore mental labor is involved. Similarly, the labor of intellectual elements is not wholly mental labor. For example, work in the laboratory requires an adequate amount of manual labor. Hence, correctly speaking, intellectual elements principally perform mental labor while workers and peasants mainly engage in manual labor. In socialist construction, these two kinds of labor are both important, and indispensable. Not only that, but all the material products of society are the crystallization of the division of work and cooperation of mental labor and manual labor, and are the products of the joint labor of workers, peasants, and intellectuals.

However, following the development of the four modernizations, the status of mental labor obviously has increased in importance. This is because, on the one hand, manual labor, in comparison with mental labor, not only suffers from physiological and energy limitations but also has difficulties in raising experiences and skills to a scientific level. On the other hand, in the development of the productive forces, science and technology have been playing an increasingly important role--to such an extent that we may say that, in essence, modern productive forces are the forces of science and technology. Diverted from scientific development and technological

progress, production can hardly score an important breakthrough. This is the difference between modern production and production in earlier times. More than 100 years ago, Marx said: "The production process has become the application of science; while conversely, science has become the primary cause, that is, the so-called function, of the production process." "The capitalist form of production was the first to make natural science directly serve production and, at the same time, the development of production has, conversely, provided the means for theory to conquer nature." ("Use of Machinery, Natural Forces and Science," p 206) If it is said that under the conditions of handicraft labor, the development of production mainly relies on the accumulation of direct experiences and the increase in the number of workers, then, in the era of large-scale mechanical industry, the development of production principally relies on the conscious application of science. At present, mankind's production has passed from the era of mechanization and electrification to the era of electronics and from now on will enter an era of intensive utilization of information and the development of science and technology will increasingly become the key to the development of production. At the present stage, if science and technology are neglected and their importance is not understood, then the development of the productive forces will be impeded. But the development of science and technology principally depends on mental labor. This condition shows that apart from requiring those engaging in manual labor to improve their scientific and technological level and their cultural level and to improve the quality of their labor, viewed from society as a whole, it is necessary to pay all the more high regard to the mental labor of the intellectual elements and to the products of mental labor.

Mental labor constitutes mostly labor of a creative and opening up character. Its principal products are science, technology, culture, literature and art, and so forth. Of these products, aside from a portion which has a class character, others like science and technology do not have a class character. They are widely applicable and are capable of benefiting all of mankind, and of bringing immense economic benefits to society. When they were first created or discovered and grasped by mankind, mankind frequently had to go through an enormous amount of tedious and difficult work, and expended much energy. Some people even had to devote their whole life to the projects, conquering one difficulty after another, and eventually succeeding only after many setbacks and failures. On the other hand, the use of the products they create is not subject to the limitations of time and locality. Compared with the value created by manual labor in the course of making concrete products while using existing knowledge, their value is immeasurably higher. Precisely because of this, Marx said: "Estimation of the value of the product of mental labor, namely science, is always much lower than its real value because there is no way to compare the labor time necessarily required by science in the reproduction process with the labor time required by science in the primary production. For example, a student can easily learn the binomial theorem within one hour." ("Collected Works of Marx and Engels," sub-volume 1 of Vol 26, p 377)

Some comrades do not regard mental labor highly principally because they do not understand the principle expounded by Marx that mental labor can create

much greater value. In addition, they have been influenced by the "leftist" thinking of a prolonged contempt for intellectuals. In fact, this is a manifestation of backwardness and ignorance. If we do not regard the various kinds of mental labor of a creative nature highly and accord them with a suitable estimation of value, then there will be no hope for the four modernizations program of our country.

#### Liberal Awarding Those Who Have Made Huge Contributions Conforms to the Principle of Each According to His Work

Since inventors, creators, technical renovators, those who have made rational recommendations, and all those who have achieved superior results in labor have all made useful contributions to the four modernizations program of the fatherland, and have made valuable inventions or creations, then, in accordance with the principle of to each according to his work, according them with awards or improving their material treatment, should be said to be reasonable and rational.

Everyone knows that under socialist conditions the principle governing the distribution of consumer goods to the individual is to each according to his work, that is to say, more work more pay, less work less pay, and no work no pay or nothing to eat. This sort of distribution principle entirely takes labor as the yardstick. Generally speaking, if people's contributions are big, then the remuneration for their labor should be correspondingly high. Unfortunately, for a prolonged period of time, due to the influence of "leftist" thinking, our understanding of this problem has not been perfectly clear. The general understanding is the smaller the difference in the compensation for labor among people, the more revolutionary it would appear; expanding the differences is tantamount to extending the power and interests of the capitalist class and this will breed capitalism. In fact, this is a misinterpretation of Marxist theories. In reality, under socialist conditions, due to the level of the productive forces not being very high and the products not being extremely plentiful, not to enforce to each according to his work will necessarily result in egalitarian distribution. Although in the past we never refuted, in theory, the principle of to each according to his work, in reality what was enforced was the policy calling for narrowing the disparities as much as possible, thus resulting in a flood of egalitarianism: Working well or working poorly, working more or working less, and doing work and not doing any work at all were all treated alike. This could only result in seriously damaging people's enthusiasm and creativeness.

Since the smashing of the "gang of four," and, in particular, since the 3d Plenary Session of the 11th CPC Central Committee, the party and the government have adopted a series of policies and measures for the thorough implementation of the principle of to each according to his work. These included restoration of piecework wages and the bonus system, reform of the salaries and wages system, formulation and promulgation of the "Regulations Governing Awards for Inventions," "Regulations Governing Awards in the Natural Sciences," "Regulations Governing Awards for Rational Recommendations and Technical Transformations," and "Regulations Governing Awards for



Scientific and Technological Progress," periodically bestowing awards on persons who have made important achievements in science and research, and so on. The "Decision of the CPC Central Committee on Reform of the Economic Structure" promulgated not long ago clearly stipulated that in earnestly implementing the principle of to each according to his work it is necessary to better link wages and bonuses with improved enterprise performance; that it is necessary to widen the difference between the wages of various trades and jobs so as to apply fully the principle of rewarding the diligent and good and punishing the lazy and bad and of giving more pay for more work and less pay for less work as well as to fully reflect the differences between mental and manual, complex and simple, skilled and unskilled, and heavy and light work. In particular, it is necessary to change the present remuneration for mental work which is relatively low. Thus, liberally compensating those who have made big contributions in the form of inventions and creations precisely manifests this spirit.

At present, in our country there does exist the problem of only a small disparity between the compensation for complex labor and that for simple labor. In particular, the compensation for the labor of mental workers has tended to be relatively low, and the real income of many people is frequently lower than that of manual workers of the same working age. This problem will have to be solved in the reform of the salaries and wages system from now on. However, even after the solution of this problem, there still remains the problem of awarding those who have made special contributions, or who have made inventions or creations or who have renovated technology. This is because normal wage standards and the wages system, though perfectly rational can only reflect the labor disparities under normal conditions and cannot reflect the important contributions specially made by inventors and creators. The research results of inventors and creators frequently have taken prolonged periods of difficult research work and accumulation of results, finally appearing as inventions and creations. Hence, in the division according to work, in addition to this ordinary and basic compensation form of salaries and wages, it is necessary to supplement it with other compensation forms. Despite the fact that inventors and creators have their own basic salaries and wages, their salaries and wages cannot sufficiently reflect the special contributions they have made, and cannot manifest their labor disparity from those who have not made any special contributions. Therefore, it is necessary that awards be made in accordance with the principle of to each according to his work. Those who have made big contributions should be liberally awarded, awards should be made according to the order of the magnitude of the contributions, and no egalitarianism should be practiced. As for the methods of awarding, in addition to giving cash awards, the awards should take the form of promotion of functional title, promotion of grades, and so on. This constitutes an important content of overcoming egalitarianism, implementing to each according to his work, and awarding the diligent and punishing the lazy.

It should also be pointed out that the awards and bonuses we now give to the inventors, creators, and renovators of technologies constitute only a

part of the wealth they have created. The awards and bonuses given to them are rather small compared with the contributions they have made. Since they have done difficult and diligent work, and made special contributions to the state and the people, giving them liberal compensation can hardly be criticized.

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## SEVERAL POINTS OF UNDERSTANDING REGARDING HOUSEHOLD FARMS RUN IN STATE FARMS

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[Article by Zhang Furu [1728 4395 1172] and Fan Weichang [5400 3634 1603]]

[Text]

### I

In recent years, household farms have been set up in state farms throughout the country. Based on different standards, household farms may be classified into several categories. Insofar as operation is concerned, they may be divided into household farms (cultivation), household tree farms, household grazing land, and household fish farms. In terms of organization, they may be divided into farms run by a single household, farms jointly run by several households, and farms contracted by one household and operated on a partnership basis. In terms of basic production tools used and scale of operation, they may be divided into large and medium-sized mechanized farms and small farms operated mainly on manual and animal power. In terms of the form of natural resources used, they may be divided into developmental household farms and nondevelopmental household farms.

No matter how they are classified, these different types of household farms have the following four special features:

First, household farms carry out production and operations under the guidance of state farms. Their basic means of production, such as land, water conservation facilities, and large machinery and equipment all belong to the state. Household farms only have the right of operation and right of use of these means. They cannot transfer, mortgage, or willfully damage them. However, household farms may own some necessary production tools and animals. Some of them in fact own large farm machines and tools.

Second, household farms are production and operation organizations formed with households as units. They are the most elementary level of operation in state farms.

Third, household farms are relatively independent economic entities that combine production with operations. They can make their own decisions on matters of production and operations. They practice a system of distribution where a fixed amount is handed over to the higher levels, with the remainder being retained for their own use. Fixed wages are abolished.

Fourth, household farms are relatively independent commodity producers and operators. They enjoy the status of a legal person.

Since household farms are engaged in socialized commodity production, they are different from the self-sufficient small peasant economy which is associated with the backward production conditions of the past. Since they are appendages of the state sector of the economy, they are also different from "privately operated" household farms and "leased" household farms under the capitalist system of private ownership. It is true that some household farms have a substantial private operation. Even so, land, irrigation, power, transport facilities, and some of the large farm machines and tools they use are owned by the state. Their production and operations are subject to the guidance of state plans. Thus, they still constitute a level of state agricultural enterprises.

## II

State farms running household farms is an inevitable development.

State farms have undergone tremendous development in the 35 years since the founding of the PRC. The vast number of cadres, staff and workers of state farms have worked hard and made great contributions to the state. But on the whole, the superiority of state farms has not been fully brought into play. Their economic results are generally poor and the livelihood of the staff and workers is anything but affluent. The main reason for this is that for a long time our state farms have been subject to excessively rigid control, so much so that they have lost the necessary vitality of enterprises. This is chiefly manifested in the following four aspects:

1. With the farm as a unit, a highly centralized operation and management system with unified command was practiced within the framework of the farm. With its profits and losses taken care of by the state, the farm ate from "the big pot" of the state.
2. With the production team as a unit, labor was organized in groups ranging from several dozen to between 100 and 200 persons in size. The scale of labor organization was too large, with the result that everything was done "on a grand scale."
3. The fixed wage system was practiced. Remuneration for labor performed by staff and workers was not linked to the results of production and operation. The income of staff and workers was "guaranteed," irrespective of how well or poorly the farms fared.
4. The farms could only arrange production according to plans handed down by the higher authorities and were not allowed to regulate production and operations according to market needs. They lacked the right to make their own decisions on matters of operation.

In order to overcome the drawback of overly rigid control over the economy of state farms, some reform measures, including the granting of greater

decisionmaking power to enterprises and the introduction of the system of financial responsibility and other forms of the system of contracted responsibilities with payment linked to output, have been introduced in recent years. They have produced some results. However, the above-mentioned drawback has not yet been completely overcome. In the reforms over the last few years, the vast number of cadres of state farms have also formulated the method of "putting small farms in big farms." This method has produced satisfactory results and the household farm is developed on this basis. Practice over the past year shows that this is a feasible method.

State farms share some points in common with the rural areas, but they have their differences.

The common points shared by state farms and the rural areas are as follows: First, they both have people as their principal means of labor, and they have a production cycle that is longer than that of industry. The different links in their production process do not produce any intermediate products, but they condition the production of the final product. Those involved must show concern throughout the entire process of production and be ready at all times to take emergency measures. Second, their degree of specialization and socialization is not as high as that of industry. The different links in their production process do not involve as much division of work and coordination as in industry. Third, the development level of their productive forces is not as high as that of industry, and manual labor and cultivation by animal power are common. Finally, in both sectors, there is tremendous difference between the labor and operational conditions of different enterprises. Because they are both engaged in agriculture, they share the same basic difference with industrial enterprises and are both suited to separate management by different households. This is the principal reason why state farms may learn from and adopt the system of contracted responsibilities with payment linked to output, as used in the rural areas.

The differences between state farms and the rural areas are as follows: First, the former belong to the state sector whereas the latter belong to the collective sector of the national economy. Second, the former have a higher degree of socialization and level of productive forces. Finally, the economic restructuring of the former involves more economic issues that relate to the whole society, issues such as wages, profits, taxation, bonuses and pricing, while that of the latter involves very few or practically no such issues. Since state farms are highly socialized, when setting up the level of separate management, it is necessary to pay more attention to the establishment of the level of unified management. State farms have more advanced means of production and better developed specialization and division of work than the rural areas, and people who work on state farms have better intellectual qualities. They may also have larger grassroots organizations of production and operation and are suitable for the running of big contracting units--household farms--that have a higher level of productivity, commodity rate, and profit rate.

### III

The setting up of household farms constitutes a major reform in the management of state farms and adds vitality to the latter.

First, in accordance with state plans, household farms carry out independent accounting, assume sole responsibility for their own profits and losses, and enjoy the right to arrange production plans, decide on production measures, make use of their own manpower, financial resources, and mechanical power, and sell surplus products after fulfilling the task of turning over the prescribed amount of products to the higher authorities. This has changed the highly centralized management system of state farms, broken down ossified patterns, and brought new vitality to the farm economy.

Second, household farms are made up of from three or four up to a dozen or so persons. This puts an end to the previous organization where over 100 persons worked together with the production team as a unit. It also stimulates the enthusiasm and creativity of the staff and workers. In production teams where household farms have been set up on a full scale, the phenomena of team leaders handing out job assignments, everyone going to work at the summons of a bell, and people reporting to work late and leaving early have all disappeared. On average, each staff and worker now work 2 hours more than they did before they joined household farms. This fully shows the adaptability of household undertakings in the state sector of the agricultural economy.

Third, they have fully tapped labor power resources, hastened the flow of labor power to the sphere of diversified operation and production, and stimulated the development of commodity production. The household farms set up in the Heilongjiang reclamation area in 1984 are employing 17,000 staff and workers and providing work for nearly 4,000 dependents and unemployed sons and daughters of these staff and workers and other irregulars. On average, for every 100 regular staff and workers, work can be provided for 23 irregulars. Due to differences in age, sex, physical strength, skill, and experience between household members, some kind of division of labor inevitably takes place on household farms. On the whole, they are diversified economic undertakings specializing in one particular occupation. These diversified household farms have a fairly high commodity rate, and the farm, forestry, animal, and sideline products they produce are mainly for sale.

Fourth, on the basis of separate management, the function of management organs at different levels in unifying operations is gradually being changed from mainly giving administrative orders to organizing, coordinating and guiding work, and providing services. In order to cater to the development of household farms, many farms in the Heilongjiang reclamation area have devoted major efforts to streamlining their administrative structures, retrenching their establishments and reducing management expenses. They have turned some of the administrative organs into specialized companies. Some production teams have already been changed into operation and service centers. This has opened up new opportunities for reforming the management organ of state farms.



Fifth, funds for household farms may be raised through diversified means and channels. Between January and June of 1984, the staff and workers of household farms in the Heilongjiang reclamation area have raised 3.84 million yuan themselves for the purchase of 244 large and medium-sized tractors, 162 wheeled tractors and 248 automobiles. The development of privately operated farm machinery on household farms has helped raise the degree of material equipment of state farms. Most of the funds raised and machinery purchased by the staff and workers themselves are directed toward developmental production. In the first half of 1984, there were a total of 97 development household farms engaged in cultivation in the reclamation area. They plan to open up 92,000 mu of land. Assuming that minimum state investment in opening up wasteland is 70 yuan per mu, it is estimated that they can save 6.44 million yuan for the state. The economic results of the household farms in that reclamation area is quite good. The dozen or so household farms set up in 1983 turned over an average of between 10 to 30 yuan per mu to the state in profits. Net annual income per capita ranged from some 600 yuan to over 2,000 yuan. In 1984, there emerged another batch of well-off households that ran household farms. This is the way to prosperity for farms and people alike.

#### IV

In order to run household farms well, what we must do now is properly deal with the following issues:

First, because household farms are relatively independent economic entities, they should be allowed to exercise certain rights in production and operation. However, some farm cadres still manage household farms with the old practice of issuing administrative orders. They seriously hamper the initiative of household farms. Moreover, they keep the household farms so rigidly bound up that the latter cannot achieve desired economic results. The decisionmaking power of household farms should be extended. This power includes the right to: make arrangements regarding their own plans in accordance with state plans; make their own decisions on matters of production and technology; apply for bank loans; purchase production means and lease large farm machinery and equipment; deploy and use their own, or contracted, mechanical power, animal power, and manpower; sell surplus products after fulfilling the task of turning over the prescribed amount of products to the state; employ, dismiss, reward and punish members of their farms; and decide on the method of calculating pay and the form of distribution to individuals on their own farm in accordance with the principle of democratic centralism.

Second, big farms should do a good job of organizing, coordinating, guiding, and serving household farms. Household farms have done away with the self-circulating system of production teams, which was based on the idea of "small but complete," and given state farms a new task of unifying operations. The main farms, branch farms, and production teams should become organs responsible for organization, coordination, guidance, and service on state farms. Their specific tasks should be: 1) To carry out overall coordination in regard to production, circulation, distribution, and

consumption on state farms in accordance with the requirements of state plans. 2) To provide household farms with services before, during, and after production. Such services include the processing of seeds, seed breeding, drainage and irrigation, epidemic prevention, breeding, maintenance, and repair of farm machines, supply of the means of production, and processing, storage, and shipment of farm products. They may also provide guidance, advice, training, data, information, accounting, and other technical services. 3) To organize and guide household farms in production and operations. The main task is to proceed from long-term interests, concentrate funds on developing large-scale water conservancy projects, building bridges, roads, and telecommunications projects, opening up wasteland and developing the infrastructure in the sphere of circulation, and providing household farms with necessary material foundations. Running of household farms will highlight the present drawbacks of management organs, such as being overstaffed with nonproductive personnel. It is necessary to streamline the administrative structure, reduce management costs, and lighten the burden of contract staff and workers.

Third, household farms must truly assume responsibility for their own profits and losses. At present, many state farms are advancing production and livelihood expenses to household farms. This kind of "advance" has great drawbacks. The main drawback is that because household farms are not obliged to pay interest for the use of funds advanced by the state, they tend to pay very little attention to economic accounting. This kind of "advance" has come about mainly because some cadres regard the provision of service to household farms as a kind of free service. This has resulted in financial losses for state farms. In the future, we must change the practice of "giving advances" to one that stresses reliance on oneself in working out solutions. Payment for laborers working on household farms should be paid out of the income of those farms. The state farm should no longer pay them wages. By and by, funds for production should also be resolved by the household farms with their own resources or through the method of applying for bank loans and relying on banks to raise money. Those that have difficulty getting funds may seek help from state farms and give compensation for the use of such funds, or they may apply for bank loans with the state farms acting as the guarantor.

Fourth, the contract term for the use of land by household farms should be extended. At present, the contract term for the use of land by most household farms in the Heilongjiang reclamation area extends for 3 to 5 years. Due to the short term of the contracts, the staff and workers of household farms are reluctant to increase investment in the land and to cultivate soil fertility. It is entirely possible for household farms on state farms to follow the example of the rural areas by fixing the contract term for land use at 15 years or more. The terms for projects that involve a longer production cycle or are of a developmental nature, such as contracts for growing fruit trees and timber or for reclaiming mountains and wasteland should be even longer. Household farms engaged in aquaculture should be allocated fixed amounts of feed plots and pasture land and be allowed to use these for a long time. In granting contract terms that extend to

15 years or more, the key lies in how land can be properly divided among different households. In dividing land among different households, the guiding ideology should be that it must be conducive to the full and rational use of resources and to diverting surplus labor power to diversified undertakings and industries run by state farms.

CSO: 4004/28

## DEVELOP SPECIALIZED COOPERATION, TAKE A NEW ROAD TO THE INTEGRATION OF TOWN AND COUNTRY

Beijing RED FLAG in Chinese No 11, 1 Jun 85 pp 35-38.

[Article by Li Xiaobo [2621 2556 3134] and Li Weizhong [2621 4850 0022]]

[Text] In enlivening industrial enterprises in the city, particularly state-run large and medium-sized enterprises, what road to development should be taken? The Chengdu Engineering Machine-Building Factory, in the course of investigation, has found its own answer: Getting out of the circle of "blowing one's own trumpet," concentrating on the key products, vigorously developing specialized cooperation and other various kinds of horizontal combination; in an organized and systematical manner, farming out the production of machine parts to the countryside and to small enterprises and stretching forth its "feelers" in all directions. Relying on this "magic weapon," in less than 2 years' time it has managed to break through the stagnant state of production which had long existed. The quantity of its production, output value, and profits were doubled and its one plant was turned into the equivalent of two plants.

### Search for a Solution

The Chengdu Engineering Machine-Building Factory is a specialized factory fixed by the state for the production of the wheeled-type loading machines. The new "success" brand ZL series of loading machines which it produces are the high-quality products of the province and the ministry, enjoying brisk sales in the 28 provinces, municipalities, and autonomous regions. But because of its low production, there was no way to meet the daily increasing demands for loading machines for economic construction. Since 1982, the plant's products have been able to meet only 18 to 30 percent of the consumers' needs. While economic construction urgently requires a rather considerable development in the production of loading machines, the factory had many insoluble difficulties in increasing its production capacity. To begin with, its plant site is narrow and small, and over 2,300 staff members and workers are crowded in the narrow and small factory area. The whole factory area is surrounded by four main thoroughfares in the city, and there is hardly any room for expansion. Next, its equipment is antiquated, being extremely low in working capacity. Of its 583 sets of machines, 40 percent will soon be declared obsolete and 40 percent are literally working in a

more or less impaired state. Under such conditions, the expansion of its production capacity requires a large investment. The factory made an estimate as follows: Relying on its own strength to further develop, and, with the set objective of attaining the capacity to produce 450 sets of loading machines a year, the factory would have to make an additional investment of 1.5 million yuan on new equipment, build 5,000 square meters of new factory space, and employ 400 more staff members and workers all of which will take about 3 years; if it desires to increase the production capacity to 1,000 sets of machines a year, it would be necessary to requisition 200 mu of land, build 450,000 square meters of factory premises and purchase 800 sets of additional equipment. All this would require an investment of 37 million yuan. Obviously, it is not workable to rely on its own strength or on its own system to expand production. Hence, some of the comrades have advocated the idea of continuing to farm out the making of machine parts to other enterprises within the city limits but some other comrades have expressed the opinion that to do so would affect the income of the factory itself, that the quality of the products could not be guaranteed and that, the worst may happen and the "good name" of its products might be adversely affected. They asked: "Why should other people be allowed to eat the rice in our own bowl?" As a result, for a certain period, not only was the farming out of the manufacture of parts discontinued but also a part of the consignment of parts was actually retracted. This retreat affected the development of the enterprise's production. It also led the leadership personnel of the factory to further engage in deep thought: If eyes are set only on the enterprises in the city, then the large and medium-sized enterprises and factories can hardly solve the many contradictions they are bound to come across. On the other hand, enterprises in the vast countryside have their feet firmly planted in the extensive rural villages and command the superiority of having much land, plentiful labor power. Moreover, their products are unitary, though production is run on a small scale, it is specialized; and they are easy to run and manage. All these are beneficial to readily improving the quality of the products. These enterprises assume sole responsibility for their own profits and losses, their nonproduction personnel are few, they do not practice "everyone eating from the same big pot," and, in general, they are able to supply the machine parts in accordance with the needs of the parent plant and develop side by side with the parent plant. It is true that they are weak in technical strength and lack management experience, but these drawbacks can readily be overcome through the method of cooperation. The leadership cadres, following careful deliberations, have clearly designated two guiding principles: One is that, for the factory to develop, it is necessary to insist on taking the road of specialized cooperation, and the old road of making the enterprises small and complete or big and complete must be forsaken; and the other is taking the road of integration of town and country and integration of large, medium-sized, and small enterprises.

#### Opening Up

The direction of development having been clarified, what should be the next step? The best way is to sum up the experiences from traversing the road that had already been taken. As a matter of fact, prior to 1984, this

factory had already set up 14 cooperation-plants (centers), experimenting on specialized cooperation but the results had not been exactly ideal. After summing up the experiences, they came to the conclusion that on the basis of specialized cooperation, to open up a new road in the development of horizontal combination, it was necessary that a breakthrough be made in the scope, form, measures, and contents of the cooperation and integration.

1. In the past, when undertaking cooperation and combination, it always happened that there was a failure to get out of the spheres of cities and towns, large and medium-sized enterprises, and administrative zones. To expand the scope of integration and cooperation, it is necessary to set our eyes on shifting from cities to the rural villages, from large and medium-sized enterprises to small enterprises, and from inside the province to outside the province. Hence, as the first step, based on the foundation of the original cooperation-plants (centers), special connections were made with a number of country enterprises and neighborhood enterprises in the city. Adhering to the principles of voluntary participation, equality, and mutual benefit, and after carrying out democratic consultations, the regulations on specialized combination were formulated. In August 1984, the combination body of the Chengdu engineering machine-building chief plant was formally established. The next step, on the foundation of decentralizing and scattering the making of the machine parts among nearby enterprises and enterprises within the city limits, was to scatter further to cities and counties farther away in the province. At present, the scattering work has reached Dukou city and Jingyan County. For example, following the combination with Dukou City Machine-Building Company, the company's subordinate valve plant and farm machines plant were converted into the combination body's gear plant, casting materials plant, and forging plant. As these plants have a relatively good foundation, particularly the possession of iron and steel and of much land and can provide the needed raw materials as backing, it has been possible to further alleviate the plant's original contradictions of the plant site developing area being too narrow and small, lack of raw materials, and insufficient capital funds. As a third step, on the basis of the combination and cooperation work inside the province, "antennas" or "feelers" were further stretched to various localities in the country, particularly to the coastal ports and cities. Through the efforts made on various sides, up to the present, the number of enterprises taking part in the combination body is 33. Including the chief plant, the enterprise units inside the province have a total of 5,000 staff members and workers, and occupy 270,000 square meters of land. The original value of their fixed assets was 36.67 million yuan and the net value is 22.19 million yuan. There are 1,450 sets of principal equipment. All this greatly exceeds the original scale of the factory. Of the 33 enterprises, 28 are located inside the province and 5 outside the province; 11 of the enterprises are under the system of ownership by the whole people, while 21 are countryside and city alley enterprises. The number of staff members and workers and the value of the fixed assets of the country and city alley units make up roughly 50 percent of the total of the combination body. The area of land they occupy is about 80 percent of the total and they take up roughly 50 percent of the production tasks of the entire combination body.



2. As for the form of the cooperation and combination, due to the participating units being all legal persons and the majority of them being collectively owned enterprises, and because of the special features of the manufacture of loading machines requiring a large number of processing procedures, consuming a large amount of materials, taking a rather long production period, and generally demanding high-quality equipment, objectively it is demanded that the various procedures of the entire production process must proceed simultaneously and in an even and balanced manner. Based on these special features, the factory has advocated the management form of "two unchanges and three unifications," namely: the ownership system of the various plants (centers) subordinate to the chief plant remain unchanged, their subordinate relationships remain unchanged; and while independent business accounting is enforced and each assumes sole responsibility for its own profits or losses, production and operation activities are under the unified guidance of the chief plant and the units must accomplish the production tasks assigned by the chief plant in accordance with the designated quality, quantity, and time schedule. In addition, the chief plant undertakes to make unified balancing and coordination in the supply of materials and also undertakes the unified marketing of the machine parts. In determining the form of the combination and cooperation, a variety of forms is chosen, in accordance with the different objects and contents such as forms suitable for placing orders for processing, assembling of parts, export of labor services, jointly financed operations and marketing, and so forth. In the structural formation of the combination body, there are no organs at various levels and no specialized structures and the management structure of the chief plant acts as the management structure of the combination body. Actual practice has shown that, although this form of organization and management appears to be scattered and decentralized, in reality the technical and economic relations between its parts are extremely tight and that, while outwardly it looks somewhat disorderly, actually it is flexible, lively and very adaptable to outside conditions and hence capable of handling the relations between centralization and decentralization. On the one hand, it ensures the protection of the decisionmaking power in management and operations of the individual enterprises and their economic interests and, on the other hand, all the production and operation activities, under the management of a unified, simplified, and highly efficient command system, can be carried out in a coordinated and smooth manner.

3. In the past, the measures of cooperation and combination mainly relied on administrative directives, without making full use of economic measures, to closely bind together production development and economic results. At the same time, attention was paid to the combination and cooperation of the output in terms of quantity and quality and not to the combination and cooperation of the "input" of funds, materials, technology, and management. As a result, a set of management methods and economic policies known as the "three fixtures" and "six patterns" was created and enforced. The "three fixtures" are fixing the direction of products, fixing the quality of products, and fixing the economic results. Because in small enterprises and country enterprises, the direction of production was unstable, the level of technology was low, the management level was low, and the economic strength was weak, the chief plant helped them determine the direction of

product development and enforced a relatively liberal economic policy. This was necessary. For example, the Yongquan machine-building plant of Wenjiang County originally had been a farm tools station without fixed products; subsequently, the Chengdu Engineering Machine-Building Factory supported it in converting to the manufacture of steering gear oil tanks and sundry parts for the loading machines. As a result, the size of the staff of the Wenjiang plant grew from 30 people in 1982 to 151 people and doubled its output value and profits. In regard to the economic results, the regulations are: The income of a cooperation plant should be 13 to 17 percent of the gross value of its output and any deficiency below 13 percent will be made up by the chief plant. In this way, the benefits of the cooperation plant are higher than the average level of the rank-and-file machine-building plants. As for the "six patterns," they are: 1) Pattern of unified planning, production, operations and management. The annual, quarterly and monthly production plans are fixed and arranged by the chief plant in a unified manner. 2) Pattern of management and control of quality. Quality control is under the unified handling of the chief plant's overall quality control system. 3) Pattern of support to technological control. Regarding aircraft and technology control work such as technical transformation, planning of tools, and equipment and so forth, the chief plant will periodically organize inspections and carry out on-the-spot guidance work. 4) Pattern of rendering aid to equipment control. Regarding equipment control work, the chief plant will conduct inquiries, provide guidance, supply spare parts for equipment included in the plan, and provide training to the personnel. 5) Pattern of mutual aid in materials management. In principle, the chief plant supplies the materials, makes periodical adjustment, and the have's and have not's render aid to each other. 6) Pattern of mutual benefit in economic results. The prices of articles processed by the plants (stations) subordinate to the chief plant fluctuate in accordance with the price movements of the chief plant's products. In operation, the concrete method adopted by the chief plant is rather flexible. For example, upon the price rise of the raw materials, if the average rise in the internal standard prices of the chief plant is 4.5 percent, then at the time of settlement of accounts with the cooperation plant, the chief plant will take a concession price rise of only 3.5 percent, that is to say, writing down the price rise by 8 percent, the difference being subsidized by the chief plant. Again, for example, in rendering support to the cooperation plant for development and the chief plant initiatively offering to help in procuring loans, if the interest rate on the loan procured by the chief plant is 4.6 percent, the cooperation plant will have to pay an interest rate of only 2.8 percent and the difference will be subsidized by the chief plant. Because of this series of management measures and economic policies adopted such as the "three fixtures" and the "six patterns" fully demonstrating the principles of equal treatment to all, mutual benefit, mutual aid, and common development, the enthusiasm and creativeness of the cooperation plants and their staff members and workers are greatly aroused, all-round support is given to the development of the cooperation plants. In turn, this has strengthened the centripetal force and cohesive force of the combination body and promoted its great development.

4. In the respect of cooperation and combination, this plant rectified the past practice of farming out the manufacturing of only those component parts which it could not cope with and began to farm out component parts on a larger scale. It also began the process of transition into farming out products. Now the plant is responsible only for the manufacturing of large structural parts for loading machines, final assembly, research, and design. The rate of component parts consignment has reached 45.6 percent.

#### Development

Although it has not been long since the Chengdu Engineering Machine-Building Factory took the road of combination of the city and the countryside and vigorously developed specialized cooperation, notable results have obviously been attained.

First, a series of problems such as shortage of funds, plant buildings and equipment, and so forth, have been effectively solved; production capacity has been increased; and the plant has been able to respond speedily to market demands. As a result of shifting the making of machine parts to the countryside and to the small enterprises which have huge and spare space for development, it was found under the conditions of the chief plant making an investment (including loans) of only 1 million yuan, the combination body has managed to double the size of its staff, the amount of its fixed assets, the number of its machines, the size of its equipment, and the area of land it occupies, thus virtually converting its one plant into two plants. According to pre-estimates, during the period of 1984 to 1986, if the chief plant should make a further investment (including loans) of only 6 million yuan in the cooperation plants, its annual production capacity can be increased to 1,000 sets of machines, or fulfilling 3 years ahead of time the original target. Since organizing the combination and cooperation, the plant has at one stroke rectified the state of its annual production capacity lingering around only 200 sets. In 1983, annual production was increased to 300 sets; in 1984, to 450 sets; and the estimated production in 1985 is 600 sets.

Second, a number of small plants have been enlivened, certain enterprises on the verge of collapse have been reborn, and all the cooperation plants have achieved development. In 1984, the size of the staff of the 21 countryside and neighborhood enterprises inside the combination body increased by 60 percent over the preceding year; the original value of their fixed assets increased by over 100 percent, the net value of these assets increased by 150 percent, the principal equipment increased by 75 percent, the area of land occupied increased by 180 percent, the output value of all the cooperation plants increased by 120 percent, and realized profits increased by 60 percent. At present, around the Chengdu Engineering Machine-Building Factory, a collective body of enterprises is being formed, which takes the chief plant's major products as the dragon's head and the backbone enterprises as the main dragon body. Originally the Xicheng vehicle plant for a long time had no definite direction for the development of its products and had successively engaged in the production of trailers, steel windows and plastic bottles. The enterprise had suffered losses and

had been unable to support itself. But since the Chengdu Engineering Machine-Building Factory gave it support and helped it to produce steel rims for wheels of loading machines, it has been able to change losses to profits. Its products not only have been able to meet the needs of the chief plant but also were marketed to as far as Shanghai and northeast China, becoming the country's sole plant specialized in the production of steel windows for loading machines. Again, for example, take the Shanquán commune's farm tools station. In the past, it had been producing small farm tools but production had been rather difficult. The Chengdu Engineering Machine-Building Factory came to its help, and, employing such measures as providing equipment, training the technicians, making the transfer of technology without compensation, and so forth, has rebuilt this small station into the Chengdu engineering machine-building structural parts plant. At present, compared with 1980, the size of its staff, amount of fixed assets and area occupied by the plant building have increased by 270 percent, 300 percent and 700 percent respectively, taking up 30 percent of the production tasks of structural parts of the chief plant. In 1984, the output value and the profits of this plant increased respectively by 300 percent and 400 percent over the preceding year. The annual income of its staff members and workers has increased from 300 yuan to 900 yuan each.

Third, the capacity for self-transformation and self-development of the enterprises has been strengthened. In 1984, the principal technical and economic targets of this factory established the highest record in history: Output volume increased by 50 percent; output value increased by 70 percent, receipt from sales increased by 88 percent, realized profits increased by 110 percent, production costs of comparable products dropped by 1.47 percent, the labor productivity rate of the staff increased by 78 percent, amounting to 17,347 yuan. The economic strength of the enterprises has also been augmented. In 2 years' time, the retained gross profits amounted to over 5 million yuan. Concurrently, the entire factory's investments in technical transformation and in increasing the experimental measures in science and technology have increased by 45 percent over the preceding year; the expenses incurred in improving the living standard and welfare of the staff increased by 100 percent; and educational and training work has also developed greatly.

In order further to develop production and raise the competitive power of its products, at the present the factory is extensively developing combination work with Liaoning and Qinhuangdao in the north, Nanjing in the east, and Guangzhou, Shenzhen, and Hainan Island in the south. In these localities, the factory has established principal assembling plants and sales service centers for loading machines and jointly invested in the formation of an engineering machine-building earthwork contracting and leasing corporation.

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## ON SUBSTANTIAL BENEFITS

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[Article by Shi Youxin [2457 0645 2946]]

[Text] Why should we discuss the notion of yielding substantial benefits? We should discuss it because it is a question that the general public cares about but does not quite understand.

In short, substantial benefits simply refer to immediate, tangible, and actual material interests. Ensuring that the masses can obtain actual benefits is the aim of socialism and a point of departure which the party and state must fully take into consideration when formulating principles and policies. When we carry out revolution and construction, we are working for the interests of the people. We must let the people obtain substantial benefits. We should recognize that for some time in the past we did not pay enough attention to the improvement of the people's standard of living. As a result, the people could not obtain the substantial benefits they deserved. This was a fault in our guiding ideology. During the "Cultural Revolution," people dared not talk about actual benefits because anything that had the slightest to do with material interests was criticized as heterodoxy. This taboo on substantial benefits has now been removed through efforts to set things right since the 3d Plenary Session of the 11th CPC Central Committee. Enabling the people to obtain more actual benefits has become an important guiding ideology of our party and state in formulating principles and policies. At the Fourth Session of the Fifth NPC in 1981, Premier Zhao Ziyang put forward the 10 major principles for economic construction. He clearly pointed out: "We must thoroughly change the conventional methods that evolved over the years under the influence of 'leftist' ideology and, proceeding from the actual conditions in China, blaze a new trail characterized by a fairly steady pace and better economic results, yielding more substantial benefits for the people." We were greatly heartened by this.

The question now is not whether we should talk about substantial benefits, but how we can correctly stress substantial benefits.

Among the wrong notions and methods is to stress substantial benefits at the expense of developing social production and improving economic results, to take the yielding of substantial benefits as the only yardstick for

measuring work and labor, to only want to secure more substantial benefits for oneself or one's small group, and to not want to make more contributions to society.

In order that the people can obtain more substantial benefits, it is necessary to develop social production and improve socioeconomic results. This is the prerequisite. It is also an important guiding ideology of our party and state in formulating principles and policies. The relationship between production and economic results in society on the one hand and people's substantial benefits on the other is one between cause and development. The amount of substantial benefits obtained by the people and the improvement of the people's livelihood depend on the development of social production and the extent of the increase in socioeconomic results. We can only seek substantial benefits by developing production and improving overall economic results. This requires that we improve management and operations, raise labor productivity, and furnish society with more and more wealth. He who has done a good job in this regard, achieved a high level of labor productivity and made great contributions to society shall receive more substantial benefits. Conversely, he who does poorly on these scores shall receive fewer substantial benefits. It is egalitarian to demand the same amount of substantial benefits irrespective of results and contributions. In some units where production has seen no development, where no improvements have been made in results, and where labor productivity remains low, leaders still issue a great variety of bonuses and rewards in kind (so-called "substantial benefits"). Deeds like digging into production development funds and seeking loans for the purpose of issuing bonuses have also been reported. These unhealthy practices are not to be tolerated.

In seeking substantial benefits by developing social production and improving socioeconomic results, we must learn to be more far-sighted. For example, we must now think in terms of how we can attain the strategic objectives by the end of the century. Only in this way can we help people obtain more substantial benefits in the future and attain a completely well-off level by the end of this century. We must give before we can take. If necessary, we must give up some substantial benefits within our grasp for the sake of developing long-term interests. In recent years, enterprises in different localities have carried out reforms with an emphasis on improving economic results. Under the prerequisite of ensuring a larger share for the state, they have reformed a system of internal allocation so that staff and workers can obtain substantial benefits to varying degrees. They have also developed collective welfare undertakings and prepared the necessary funds and conditions for the development of new technology and products and the enhancement of the stamina of their enterprises. This is a manifestation of resourcefulness and strategic vision. Those who only care about the present or want to turn production funds into consumption funds and spend them all are typical prodigals. They are actually infringing upon the fundamental interests of the masses rather than being concerned about the substantial benefits of the masses. Our party members and cadres must resist this work style and prevent it from developing among the masses.



Another erroneous notion and method is to strive to secure substantial benefits for oneself and for one's unit at the expense of the interests of the state.

Under the socialist system, the interests of the state basically coincide with the interests of each unit and each staff and worker, but they conflict in some specific respects. In the reform of the economic structure and in order to institute the factory director (manager) responsibility system in enterprises, party members and cadres, particularly factory directors and managers, should properly tackle the following task: They must safeguard the interests of members of their own unit while safeguarding the interests of the whole country, accept supervision by the masses while accepting supervision by the state, and bring about unity and harmony between the two ends. We cannot correctly safeguard the interests of the state if we have no regard for whether or not the staff and workers of our own unit can obtain substantial benefits. This is because if we talk about the interests of the state without reference to the interests of the masses, the interests of the state cannot be developed. Similarly, if we only pay attention to the situation of our own units and ignore the general situation of the whole country and society, or go as far as to build our substantial benefits and those of our units on the basis of benefiting oneself at the expense of others, shifting one's troubles onto others, and appropriating public property, we cannot claim to be correctly safeguarding the interests of the masses. The reason for this is that if we infringe upon the overall interests of the people and the state, we are bound to impair the fundamental interests of the staff and workers of our unit. Management cadres of modern socialist enterprises must be able to proceed from the overall situation when they think over problems and handle affairs. There are things which seem to be able to yield greater substantial benefits when we think only in terms of the gains and losses of ourselves, our unit, or our department, but which are disadvantageous if viewed from the overall situation of the country and the people. In such cases, we should put overall interests above everything else. Under normal circumstances, efforts to ensure that we ourselves and our units can obtain as many legitimate substantial benefits as possible are beyond reproach. However, in certain matters, it is also our duty to sacrifice some of the substantial benefits within the grasp of ourselves and our units to ensure that the overall interests of the state do not suffer any losses.

For individuals as for units, substantial benefits must be obtained through legitimate means. As long as we show consideration for the overall situation and work within the sphere permitted by state decrees, policies, and discipline, all substantial benefits obtained through industrious mental and physical labor, the improvement of operations and management, the tapping of new sources and means, the raising of labor productivity, and so on, are legitimate. Substantial benefits obtained through crooked means such as cheating the state and the people and ignoring state decrees, policies, and discipline are illegitimate. They may also be called unhealthy practices. In following the correct path, we must observe laws and discipline, have high aspirations, and stress moral integrity. Individuals must abide by the law and so must units. Factory directors and managers must

answer to the law and must set an example in observing laws and discipline. Those who take advantage of the reform and the drive to invigorate the economy and avail themselves of loopholes in rules and regulations to violate laws and discipline must be seriously dealt with according to law. Besides being law-abiding, we must also have high aspirations and stress moral integrity. Every individual and unit must have the high aspiration of becoming well-off through industrious work and building up the country through hard work and thrift. In line with the idea of opening up to the outside world and invigorating the economy, it is particularly important that we guard against the loss of aspirations. Although we are poor, we must not lose our high aspirations. We must not do anything dishonest, immoral, or detrimental to our personal and national integrity for the sake of obtaining substantial benefits. Sacrificing the interests of the nation and the country for the sake of obtaining substantial interests is just as lamentable as bartering away our honor, conscience, personal integrity, and chastity. Both amount to degeneration in integrity and morals. Some people violate the law and lose their aspirations because they are too selfish and have an insatiable desire for wealth through whatever means. Some people even speak approvingly of crooked means of obtaining substantial benefits as though they are some kind of an ability or skill, and go as far as to imitate and emulate such deeds. They have no idea that this will not enable our society to increase its wealth. Only a handful will benefit. The majority will suffer.

Related to the above two notions and methods is a third erroneous notion and method. This is ignoring ideological and political work and thinking that we can arouse the enthusiasm of the masses simply by relying on substantial benefits.

It has been proven by numerous facts that substantial benefits constitute only one factor in arousing people's enthusiasm. It is not the sole factor. In arousing people's enthusiasm, a spiritual factor is also involved. It is also necessary to bring into play the role of ideological and political work. The remarks made by a workshop party branch secretary are worth our close attention. He said: At the end of last year, we had to offer substantial benefits in everything we did. Without money to pave the way, nothing could be done. Bonuses were issued not on the basis of the size of contributions, and the more bonuses the better. In issuing bonuses, we could only keep adding and could not subtract. If bonuses could be multiplied, so much the better. As a result, practically all the surplus saved by the workshop was divided. It can thus be seen that enthusiasm aroused simply by means of substantial benefits cannot be sustained. On the contrary, it will stimulate greed that can never be filled with substantial benefits. Thus, we must not only stress substantial benefits and enable people to obtain tangible material interests, we must also stress spiritual civilization, ideals, discipline, morals, the legal system, and a correct attitude toward labor. We must also help people erect spiritual props and pursue their ideals through conducting lively and effective ideological and political work. The enthusiasm thus aroused is enduring enthusiasm for socialist modernization.

In the present-day world, money and substantial benefits have their charm and are liable to have people blindly seeking them, and to lead people onto an erroneous, or even degenerate, path. One of the important tasks of ideological and political work in the course of reform is to help people adopt a correct attitude toward money and substantial benefits and to teach them not to forget about the far-reaching goal of achieving socialist modernization and ultimately realizing communism because of immediate interests. The aim of the reform is to promote the development of the productive forces and make the country and the people rich and strong. It is wrong to think that the aim of the reform is to benefit individuals or small groups. In the reform, the party members and cadres of many units uphold the notion of becoming well-off only after the whole country has become well-off. This is very noble of them. They conform to the aim of reform. However, the leaders of some units abuse their power to seek personal gains in the name of reform. They willfully set the standard for bonuses and floating wages by improper means so that they can obtain substantial benefits several times or even ten or a dozen times more than those obtained by workers and ordinary cadres. This runs counter to the requirements of the reform. In the reform, it is necessary to do away with egalitarianism in the allocation of income and widen the differences between various jobs. However, things must be done in a realistic and reasonable way. We must make our cadres, staff, and workers understand that money and substantial benefits are what everybody needs, but they must not be unduly emphasized. Things like ideals, beliefs, morals, integrity, and the spirit of serving the people are much more valuable. In building socialism, we must not only build a high degree of material civilization so that people can fully enjoy material wealth, we must also build a high degree of spiritual civilization so that people can also possess rich spiritual wealth. We should work hard in these two regards and contribute our share toward the building of socialism.

Some time ago, the notion of "socialism as the doctrine of substantial benefits" was heard in some places. This was no more than a theoretical expression of various erroneous notions and deeds in regard to the question of substantial benefits. This is tantamount to saying that in building socialism, nothing matters as long as we can obtain substantial benefits. Everything is geared toward substantial benefits and substantial benefits mean everything. This is not socialism. This is out-and-out money worship. Although socialism should and can yield greater substantial benefits for the people, in terms of theory or in terms of practice it diametrically differs from capitalism and other exploiting classes and societies. The characteristics of socialism lie in the abolition of the system of exploitation, the public ownership of the means of production, the political power of the working class and the working people, distribution according to work and common prosperity, the development of the planned commodity economy on the basis of the system of public ownership, all-round socialist construction on the basis of a highly developed material and technological foundation, the building of socialist spiritual civilization with communist ideology at the core while building material civilization, and so on. This is known to all. If we cast aside these characteristics and only stress "substantial benefits" to the extent of revering them as

"doctrines," we have basically departed from socialism and fallen into the quagmire of money worship. This kind of idea cannot enable the people of the whole country to truly obtain substantial benefits. It can only enable a handful, or a small percentage of the people, to become well-off. Thus, this is something we must not accept and must oppose. What we want is socialism with Chinese characteristics under the guidance of the communist ideology. This is the kind of socialism that can truly and continually yield substantial benefits for the whole people and can truly enable the people to march toward common prosperity and happiness.

CSO: 4004/28

## THE PROBLEM OF 'INBREEDING' IS NOT CONFINED TO SCHOOLS

Beijing RED FLAG in Chinese No 11, 1 Jun 85 pp 42-43

[Article by Mu Hui [3668 1920]]

[Text] There has been much discussion over the past year on the subject of inappropriate "inbreeding" in tertiary institutions. Practice has proved that universities look for their teaching assistants and lecturers from among their own students. This "breeding" goes on generation after generation and is disadvantageous to use of higher education and to the development of scientific research. The reason is that generally students find it embarrassing to oppose their teachers' academic views and also their experiences are often restricted to that university and their knowledge is thus limited. So, even if a humble teacher allowed a student to oppose his ideas, it is probable that the student would not have any divergent views to express. It is said that in many foreign universities, there are regulations forbidding graduate students from directly taking up posts in that university. They must work in other places first and when applying to work at the university they graduated from, their applications are treated like those of other applicants. Of course, not everything foreign is correct, but this stipulation is logical.

If we speak of things in physiological terms, having a wider gene pool is better than inbreeding. The logic is very clear. We can compare talent to a 1,000-li horse. Whether a horse can travel 1,000 li in a day is very difficult to say. The "History of the Jin Dynasty" says that E-er-gu-na "was an excellent mounted courier. In one day he could travel 1,000 li." However, the book does not make clear whether E-er-gu-na rode the same horse for the whole day or whether he continually changed horses in covering the 1,000 li. It appears that the latter method would have been more likely. The lichees which Yang Guifei ate were sent from the south along a courier route with stations every 90 li. Books tell us that swift horses such as the Kazak horses, Ili horses, and Sanhe horses take over 4 minutes to run 3,200 meters. If a horse ran at this speed for 8 hours, it could travel 400 kilometers, not far off 1,000 li. These horses are all hybrids. Take Sanhe horses for example. These horses can run 3,200 meters in 4 minutes 18 seconds, and thus they would take 1 hour and 29 seconds to cover 50 kilometers. Of the three types of horses mentioned, these are the fastest. Their basic stock is the Mongolian horse and the Hou-bei-er-jia

horse and they were produced through interbreeding with many other types of horses, including the English horse, the Ao-er-ge-fu fast-pacing horse, the Japanese horse and so on. The advantage of interbreeding is that the offspring have the characteristics of the two breeds and sometimes even have superiorities which are not found in either parent. This was understood by our forefathers long ago. At least as long ago as the Tang Dynasty, they had already begun to import fine breeds of horse from the western regions with which to improve their own horse stock.

Of course, here we are talking of physiological patterns. But this does not prevent us using the analogy in talking about training talented people who are "1,000-li horses." An ancient regulation prevented people from becoming county magistrates in their own county. Formerly, we also stressed the interflow of cadres which appears to have been based on the same considerations. If a person works in just one area, and people end up referring to them as Old Secretary and Old County Head, of course they have superiorities in one respect. For example, they know every mountain and every stream, every tree and every bush in the county and are well versed in the county's strong points and weak points. They have a deep attachment to the cadres and people of the county and a great concern for construction in the county. However, staying for a long time in one place, one cannot escape having limitations. If one can move to other areas, come into contact with different people and different matters, and hear about different situations, viewpoints, and ideas, one can compare these with one another, have one's outlook broadened and can certainly gain much knowledge about one's own strong points and shortcomings. On the other hand, if people remain in one place for a long time, everything becomes extremely well-known and the same. If someone is not an old wartime friend, he is a new relative, and things are thus never done effectively. Apart from being complacent and conservative, some of these people even try to become local "mountain tops." If a person has difficulties, he is helped through the back door. If someone commits a mistake, they help to cover it up. In this situation, training "1,000-li horses" will be quite difficult.

Will letting one's own subordinates take up one's post, and letting the sons and daughters of wartime friends serve as the third echelon, produce bad results? Of course, in ancient times it was also stressed that as long as a person was worthy, even if he was one's own relative, one did not need to pass him over or hesitate. Of course this does not mean that among the long-time subordinates and the cadres children there are no "1,000-li horses." However, if we broaden our views and select talented people from a wide range, or else, like the university rules mentioned above, have these people go to other places to work for a time, to get experience in actual struggle, and then have to vie with others with the same qualifications for positions, it is very likely that we will have a much stronger system than the present one, where there is a dependence on the recommendation and selection of local subordinates.

You cannot train 1,000-li horses in a stable. They must be trained in the open countryside.

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## THE TOP GRADUATE AND TALENT

Beijing RED FLAG in Chinese No 11, 1 Jun 85 p 43

[Article by Jiang Yuanming [5592 0337 2494]]

[Text] The term zhuangyuan [1104 0337] ["top graduate"], it is said, came into use in the Tang Dynasty. If we look at the characters which comprise the term, we see that the second character has the meaning of first, or foremost. The first character means plaintiff, as in those days, in the highest examinations, the examinees were required to write a plaintiff. Thus, the person who did best in the examinations was called the top plaintiff, or top graduate. The imperial examination system stressed the examination rather than stressing talent. Later, it stressed the classics and righteousness and just used the method of eight-part essays. The buying of official posts became increasingly common and the word examination came to have nothing to do with talent.

These days, we still call the person who does best in examinations, the top graduate. But this is an erroneous usage of the term as these people are completely different to the former top graduates. In general, the content of examinations today is knowledge that we really need, and now there are no corrupt practices in examinations. Becoming the top graduate is a real accomplishment. It is appropriate to commend these top graduates, but we must take care to avoid any one-sidedness. Last year, there was a factory manager/director examination. The factory director who became the "top graduate" was promoted and substantially rewarded by the relevant department and was invited to talk to large and small groups about his experiences in enterprise management. In fact, the factory which this "top graduate" managed was not very successful and had been sustaining losses for a long period. This factory director simply came first in an examination and suddenly it was as if he was an outstanding manager! This provides us with a very good lesson.

Modernization urgently requires talent. There must be means to discover this talent. Thus, examinations are necessary and are far better than relying on impressions and depending on "relationships." Because we have, for such a long period of time, looked lightly on knowledge and talent, and because, in the feudal society people were chosen through relationships and in the "Cultural Revolution" they were chosen through clique affiliation, it

is essential that we have examinations. However, determining whether someone is superior or inferior simply from a written answer sheet is one-sided. One becomes the top graduate through writing an examination. It only shows superiority in one aspect and certainly does not show that a particular person is really "first" in overall ability. According to information supplied by academics in the field, there are 128 indices for assessing a person's abilities. Of these, 47 can be assessed through written examination, while 81 are assessed in other ways. The top graduates in examinations, which everyone has such faith in, are only being assessed through 47 of these indices. This is laughable. Assessment should be an overall thing and should include such areas as creativity, initiative, willpower and so on. These things are hard to examine on paper, but in assessing a person's abilities, they are very important, perhaps most important. According to reports, these days in the United States, France, the Soviet Union, and many other countries, there are two ways of selecting management personnel. One of these is called the "document test." In this, the candidate is given a bundle of documents, which includes telephone messages, instructions, memoranda, requests, reports and all sorts of letters. These are drawn up according to situations which a manager might face and the examinee must within a certain period of time, complete the arrangements required in the documents. After this, the candidate must answer questions, either in a spoken or written form, on the principles and logic of the arrangements made. It is then decided whether the examinee is accepted or rejected. The pros and cons of this method will not be discussed here, but one point should be affirmed. That is, this method pays attention to assessing a person's practical work abilities.

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A FINE PLAY PERMEATED WITH THE PHILOSOPHY OF LIFE--IMPRESSIONS AFTER WATCHING  
THE STAGE PLAY 'THE UNFINISHED CLIMB'

Beijing RED FLAG in Chinese No 11, 1 Jun 85 p 44

[Article by Zhong Yibing [6988 5669 0365]]

[Text] "The Unfinished Climb" (playwrights: Zhang Jihuang [1728 0613 7806], Fu Chao [0265 6389], and Zhao Yulin [6392 3768 2651]; directors: Chen Ping [7115 0988] and Lu Zhibin [0712 1807 2430]) performed by the combat drama group of the Lanzhou Military Command, is a fine play permeated with the philosophy of life. Its good points lie in that the playwrights have liberated their minds, gone all out, and used their deep understanding of life and original pursuit of art to choose such an important, serious topic which is full of the spirit of the times and is written in such a lively, novel, rich, and moving way!

The collective heroic deeds of the Huashan rescue stirred the hearts of hundreds and thousands of people. However, if the playwrights were only capable of reenacting on the stage the rescue which took place 1 and 1/2 years ago, and of which everybody knows, and if they were unable to excite in the audience a greater ideological awareness and artistic experience than they would gain by reading a newspaper report, then who would want to waste an evening sitting in the theater watching the play? However, the authors of "The Unfinished Climb" understand the masses' feelings and have the sense of responsibility of party literature and art workers. They do not simply recount the incident, but blend together the people and the events involved in the Huashan rescue with the thoughts on life of an entire generation of youth. The authors write of their unique observations and understanding of life as they stand on the high plane of the times. The great and real significance of "The Unfinished Climb" lies in, as the writers summarize it, "the banner of deep thought which was raised on the summit of Huashan." "What is the correct road in life? How can we display man's real value?" These questions naturally draw the attention of the wide audiences.

The female lead in the play--Yuan Zhen, a student in the Military Medical University--is a down-to-earth, truth-seeking, modern young person who is maturing and who has active ideas. She believes that the actions of her fellow student, Zhang Hua, in pulling an old peasant out of the quagmire and bravely sacrificing his own life, was a waste, like "exchanging a gold

nugget for a piece of stone." She even believes that "no one can shake free from the idea of the value of life. We are concerned mainly with ourselves." This ideological understanding is confused. It seems as if, in an "unharmonious way," it is being mixed with her splendid ideological tendency to warmly love the party, warmly love the motherland, and admire and emulate a teacher who has contributed her life to the people. However, this truly manifests several characteristics of modern young intellectuals who are in the process of maturing. Through the help of her teachers and friends and through the education of life, Yuan Zhen finally "climbs" to a new plane. She says: "The breezes which have buffeted my life have made me recognize that my former ideas about Zhang Hua were twisted.... I now feel an intimacy with Zhang Hua and wish to use Zhang Hua's spirit to drive me to complete my teacher's unfinished cause."

Yuan Zhen is not only the focal point of the contradictions in the play, but is also the key person who influences all types of people in the audience to ponder various points. The broad audiences can obtain from Yuan Zhen's progress the encouragement that "a person's real value lies in his contribution to society, in his serving the people." The older generation will recall an historical lesson in Yuan Zhen's reminiscences about her deceased woman lecturer, and will gain a heightened sense of responsibility in cherishing and protecting youth. Young people will agree with Yuan Zhen as she laughs heartily and says: "We of this generation are much better off than people in the past!" Ideological and political workers can obtain inspiration from Yuan Zhen's worried thoughts: "Ideological problems cannot block us. We must clear away the obstacles." The depiction of people in this way and a play this rich in ideological connotations are both worthy of affirmation.

The many other diverse people in the play, Team Leader Huo, Du Hua, Lu Qi, Zhao Yue, Wang Dayan, Lin Ruxiang, Hou Duoduo, Ma Dongshan, Xin Zhengping, and so on, all have their own characteristics. They all play an essential role in throwing Yuan Zhen into sharp focus and in reflecting the times and environment in which she lives. The achievements of the brigade political secretary Liu Dayu and the deceased woman lecturer (who engaged in education during her life and left her body to her students for scientific purposes upon her death) had great influence in prompting Yuan Zhen to make important changes. These people of the older generation, and Yuan Zhen of the new generation, although they are all affected by historical restrictions, can really all be called our new people of the socialist period!

As to shortcomings of "The Unfinished Climb," Lu Qi and Team Leader Huo are exaggerated. They are too shallow and obvious. Also, the fact that Yuan Zhen is led to an ideological change after accidentally hearing Political Secretary Liu and Team Leader Huo talking in the specimen room, and that this play, which talks about life in an army unit, puts the person with serious ideological misunderstanding (Lu Qi) outside the army, shows that the writers have still not yet broken through the former set patterns for creative writing.

It is hoped that we will see more and better fine plays like "The Unfinished Climb" which reflect the realities of modern youth's ideology and the realities of ideological and political work!

## USE A HISTORICAL VIEWPOINT IN REFORMING TEACHING

Beijing RED FLAG in Chinese No 11, 1 Jun 85 pp 45-47

[Article by Lu Zhichao [4151 0037 6389]]

[Text] Many specialists and scholars have already provided ideas on how we are to reform the teaching of socialist political economics in accordance with the spirit of the decision of the Central Committee on reform of the economic structure. As a "layman," there is nothing much I can say in regard to specialized aspects of this problem, such as the drawing up of the teaching program, the arrangement of relevant sections and special topics, the various theoretical questions over which there is debate, and so on. Rather, I would like to put forward a few immature ideas after looking at the problem from outside, that is from a "layman's" point of view.

In the discussions, many of the ideas met with agreement from all sides. For example: 1) The "Decision" is a product of the universal truth of Marxism integrated with China's specific reality. It is not only a programmatic document for guiding the reform of our nation's economic structure, but is also an important breakthrough in terms of theory. Thus, we must implement the spirit of the "Decision" in teaching and carry out reforms in this field. 2) The existing textbook setup is seriously deficient because the textbooks are, to a great degree, a reflection on the theoretical level of the ossified economic system which urgently needs reform. Thus we cannot continue to use these textbooks in teaching. But when all is said and done, they do contain the experiences of several decades of socialist economic development. These decades of experience supplement the many new experiences gained since the 3d Plenary Session of the 11th CPC Central Committee. Thus, we must adopt an analytical approach and not completely negate everything. 3) In terms of the level attained in current practice and the results achieved in theoretical research, it appears that we do not yet have the conditions for establishing a reasonably ideal scientific system. Thus, with the "Decision" as the center, we should divide the various topics and establish an overall sequence. This method is fairly rational and we do not necessarily have to seek perfection of logic or the completeness of systems, and so on.

There were also some problems which were difficult to solve and for which it was not easy to achieve unanimity in thought and action. For example,

how to handle the relationship between the general principles of Marxism and China's special characteristics, how to handle the relationships between abstract theoretical questions and specific questions of principles and policies, and so on. These two questions are not just problems of today. They also existed in the past. In the past, some foreign textbooks mixed Marxist discussions on the general characteristics of the social economy with their own country's special characteristics and specific policies. This actually spread that country's specific systems as if a socialist system could only be achieved in this way. Only if things were done in such a way could it be called socialism. Later, the textbooks we compiled also had this problem. Another question which requires much research is how we are to handle the relationship between the theoretical systems in our existing textbooks and the "Decision." The systems detailed in existing textbooks, as stated above, actually have two components. The first is general Marxist discussions about the basic characteristics of the socialist economy. This includes some conclusions which did not accord with subsequent developments. It also includes some elaborations and explanations which, due to our misunderstanding and dogmatic comprehension, were even more divorced from subsequent developments. The second component is in regard to some specific methods and the summing up of experiences in socialist practice. Included are some accomplishments in practice and some problems reflecting the ossified system. The common problem of existing textbooks is that they often view the relationships in a certain historical period as a complete pattern, and strengthen and spread this understanding of a certain period. Thus, we cannot leave the existing system as it is or just make a few minor adjustments to it. The "Decision" has made an important breakthrough in many areas, especially in regard to the question of a socialist planned commodity economy. On the theoretical level, it has resolved the problem of breaking through the ossified patterns and establishing a socialist economic system which is full of vitality. Of course, this should become the major base for reforming education in political economics and for establishing a new textbook system. However, in the end, the "Decision" is a programmatic document for the reform of the economic structure focusing on cities, and it includes many stipulations on principles and policies. Thus, we cannot simply use it as the educational medium for socialist political economics.

These problems and contradictions reveal to us that the best way will be to understand the contents of socialist political economics in a historical and specific way and then to use this understanding in reforming our teaching.

Marx and Engels in "German Ideology" said: "We know only a single science, the science of history." ("Complete Works of Marx and Engels," Vol 3, p 20) They saw the various natural sciences and social sciences as sciences of history, as one aspect of natural history and human history. Political economics is an aspect of human history. When the capitalist system achieved a fairly mature stage of development, political economics acquired a fairly complete form. However, socialist political economics can be said to still be in the course of formation. This is consistent with the present stage of socialist social development. Thus, we cannot at present look forward to



establishing a complete scientific form of socialist political economics, just as at present we have no mature socialist economic relationships. The theories on socialist political economics we have seen up to now, including the textbooks written in various historical periods, are reflections of the different stages in the establishment of the science of history. They reflect very well the history of socialist socioeconomic development over several decades and people's process of thought. This process is far from finished.

If this understanding is correct, it is best to discuss socialist economic theory from the angle of historical development, and to divide it generally into three major stages or sections.

The first section is expositions by Marx and Engels on the principles of socialist economics. When Marx and Engels established the theory of scientific socialism, socialism was still an ideal and had not yet become a reality. But this was different from utopian socialism. It was a scientific ideal, a scientific prediction built on a thorough analysis of capitalist relations of production and their contradictions. The theses of Marx and Engels on the basic characteristics of the socialist economy, for example, the socialist public ownership of the means of production, social production with planned regulation, distribution according to work, and so on, even today retain their scientific significance. What we should pay attention to is: 1) Since it was a prediction, it was highly abstract and had to bypass the various special situations characteristic of certain countries or historical periods. It could only point out the major direction and major trends in man's development from capitalism to socialism and communism. We certainly cannot take this general prediction as a description of later historical developments. 2) Since it was a prediction, in its concrete expositions, it is inevitable that some aspects did not accord with actual developments, and thus require correction through reality. But regardless of how they are expressed, these basic ideas of Marxism are the basis and point of departure for establishing socialist political economics. Only by mastering them thoroughly and correctly will we be able to understand this science's future development, including progress and complications, in terms of thought.

The second part is the practice of socialist economic construction, the summaries and developments by Lenin and Stalin on the theoretical level, their limitations, and the appraisal of the various patterns of socialist economic system which were established under this influence. Regardless of how incomplete the socialist system was in the early period of its development, when all is said and done, it still was a realization of socialist ideals and was a completely new system in human history. Regardless of what problems there were in the former political economics textbooks, they were not writing about future social ideals, but were summarizing relations which had already been realized. Practice had made concrete the Marxist ideas on socialist economic principles. Some questions, for example commodity-monetary relations and the law of value under socialist conditions, went through a long process of testing and repeated exploration. Through several decades of development, whether we speak of breakthroughs and

progress on the theoretical level and level of understanding or mistakes and limitations, all these are historical and theoretical premises for our further practice and understanding of history. Thus, a scientific and analytical clarification of this stage will play an important role in correctly understanding various questions in socialist political economics and in correctly understanding the contents of the "Decision." For example, if one does not understand the development and changes of the commodity economy under socialist conditions, and the process of thought in regard to this, how will it be possible to understand the theoretical breakthrough achieved by the "Decision" in this regard?

The third part is the experiences of our nation in socialist economic construction, especially the summation of our experiences in the reform of the economic structure since the 3d Plenary Session of the 11th CPC Central Committee; that is, the new ideas put forward by the "Decision" in regard to the reform of the economic structure, from the several basic theoretical viewpoints to the many conclusions imbued with Chinese characteristics. As to the chapter divisions and topics, how to arrange things in a logical order, and so on, I will leave that to the experts. This is the focal point of the three sections and should take a large proportion of teaching time. After the first two sections, this section will be easy to teach. Those difficult to handle questions mentioned above such as Marxist expositions and the later development of Marxism, the general laws of the social economy, and conclusions which accord with China's characteristics, theoretical principles, and specific policies, and so on, will possibly be easier to handle here. We must also look at the "Decision" in a historical way; that is, look at it as a stage in the formation of socialist political economics. In teaching, we should adopt a scientific analytical method. On the one hand, we must stress the new breakthroughs and important progress in the past, but we must avoid seeing current thought as complete. In the series of questions on socialist economics, there are still many unknown factors. In practice, we must continue to carry out theoretical exploration and research in accordance with basic Marxist principles. On the other hand, we must recognize that this blueprint for establishing a socialist economic system with Chinese characteristics is an important achievement in combining the basic principles of Marxism with China's reality. However, we should avoid saying that our understanding and methods are universal laws. Many socialist countries depend on Marxism for building a socialist road which accords with that country's characteristics. There are probably many patterns of socialist economic system. In our system, as in systems in other countries, there are of course general theoretical ideas and methods which can serve as reference. This goes without saying. However, we must appraise them in an appropriate way and not exaggerate them. In brief, as our economy is open and not sealed off, so should our socialist political economics be developing, open, and not complete or closed. Thus, we should understand it in a historical and concrete way and carry out education in it in a similar way.

WHY DO WE SAY THAT SCIENTIFIC AND TECHNOLOGICAL PERSONNEL ARE PIONEERS IN DEVELOPING NEW PRODUCTIVE FORCES?

Beijing RED FLAG in Chinese No 11, 1 Jun 85 pp 47-48

[Article by Yu Weidong [0060 4850 2767]]

[Text] The decision of the CPC Central Committee on reform of the scientific and technological structure pointed out: Scientific and technological personnel are pioneers in developing new productive forces. This is a scientific conclusion based on the whole history of the development of productive forces, particularly from the large amount of materials on the rapid development of productive forces in the modern era.

Historical records have shown that in the realm of production, there were no scientific and technological personnel at the very beginning but that their appearance was related to a definite stage in the development of production. Once scientific and technological personnel make their appearance in the process of social material production, they become an important factor in promoting the development of productive forces. Hence, the appearance of scientific and technological personnel in the realm of material production is historical progress. In the historical period when there was no division between manual and mental labor, man's labor mainly depended on physical force, the level of productive forces was extremely low, and the progress of labor productivity rate was extremely slow. Subsequently, mental workers, as a social layer, dissociated themselves from manual workers and became specialized in collecting, adjusting and processing the knowledge and experiences which mankind had been accumulating. They engaged in the work of observing nature's changes working out a system about them and putting the data in organized form, thus giving birth to ancient science. Ancient science played a promotional role in the development of production. Following the development of human society and science and technology, the appearance in factories, in the present era, of engineers and craftsmen, scientific and technological research and production has become increasingly related to each other. The results of science and technology have been increasingly, extensively and rapidly employed in production. This has unprecedentedly speeded up the development of mankind's productive forces. According to statistics, from 1700 to 1780, in England, the labor productivity rate averaged a yearly increase of 0.9 percent; from 1781 to 1917, it averaged a yearly increase of 2.2 to 2.5 percent. In the United

States, from 1870 to 1949, the labor productivity rate averaged a yearly increase of 1.5 to 3 percent. In the modern era, the rate of increase in labor productivity in the material production of society has increased by 10,000 percent over that in the Iron Age and by 1,000,000 percent over that in the Stone Age. An important cause is that in the production scientific and technological personnel have been continuously acting as pioneers in developing new productive forces.

In production, the working scientific and technological personnel is a kind of intellectual labor. Its special character is not a repetitive one but a creative one. Scientific and technological personnel should rely on the knowledge and experience they have gained and rely on their own intellect to bring about the integration of science and production, continuously develop new products, research new tools, develop new materials, discover new sources of energy, ceaselessly improve techniques and open up new areas of production. This will open up broad avenues for developing productive forces. Hence, the work of the scientific and technological personnel is itself related to the development of new productive forces. In mankind's march into the depth and breadth of production, scientific and technological personnel serve truly as the pioneers.

Basically, the role of scientific and technological personnel in developing new productive forces is seen in the following. First, development of new products. New products bring new industries. For example, discovery of the steam engine has brought the machine-building industry, discovery of the motor car has brought the motor car industry, and so forth. Second, development of new labor resources (materials, energy, tools, and so forth). For example, the research work on solid state physics by people like Mo-te [5459 3676], Xiao-ke-lai [5135 0344 5490], and others has led to the development of microelectronic technology and caused silicon to become an extensively used material in the manufacture of products ranging from communication satellites to color television sets, and sand is, in fact, the original raw material. Third, development of new labor products. Formerly, mankind's production was limited to the surface of the globe; now it has been extended not only deep underground but also to space and ocean depths. Fourth, improvement of management and production techniques and raising the labor productivity rate to a new high level. In many of the new production industries, we can find the footprints of the pioneers. For example, in the electric power industry, names used as electrical units such as Coulomb, Ohm, Ampere and Here are names of some of the pioneers in the electric power industry.

At present, the world is facing the challenge of a new technological revolution. Microelectronics and electronic computers, new materials, new forms of energy, biological engineering, oceanological engineering, space engineering, laser, optical fibers, and other new products and industries are making their appearance one after another. New productive forces are being formed and developed. The special features of the new technological revolution have emphatically demonstrated the importance of knowledge and intellect. Because these new industries are built on the foundation of scientific

theories, naturally in this new technological revolution, people taking the lead are the scientists and engineers who have a firm grasp of scientific theories and knowledge. This all the more emphatically denotes the role of scientific and technological personnel as pioneers in developing new productive forces.

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